CASE NO. 11323 CASE NO. 11338 ORDER NO. R-10432 Page -6-

- (e) Sections 10 and 16 <u>may</u> be economically minable if there were active mine workings located adjacent to or in close proximity to these sections, however, due to the location of this area relative to active mine workings, it is highly unlikely that either active operations will be extended into this area or new mine workings initiated in this area;
- (f) since 1966, mining in the "Potash Area" has been on a significant decline and it is highly improbable that mining activity will occur towards the proposed "excepted area" from any existing mining operation;
- (g) there are factors which suggest that the potash industry in New Mexico is likely to remain depressed for an extended period of time and which may indefinitely preclude any mining activity within the proposed "excepted area".

(17) Applicant's expert on drilling, completing and producing the proposed wells presented evidence which demonstrated that:

- (a) the wells within the proposed "excepted area" can be drilled, cased, cemented, completed and produced by deleting the salt protection casing string without risk to miner's safety or causing the undue waste of commercial deposits of potash;
- (b) the proposed procedures for drilling and completing the wells within the "excepted area" have been previously utilized in Section 9 and have been approved by the BLM.
- (c) the wellbore integrity of these wells is expected to continue for a longer time than the time required to produce the wells to abandonment.