Goetze, Phillip, EMNRD

From: Rutley, James <jrutley@blm.gov>

Sent: Tuesday, September 18, 2018 6:40 AM

To: Goetze, Phillip, EMNRD; Jones, William V, EMNRD; McMillan, Michael, EMNRD; Holm,

Anchor E.

Cc: Bradley Bishop; Bell, Ric - Carlsbad (Third Party)

Subject: Forty Niner Ridge SWD No. 1, Sec 22, T23S, R30E, NMPM, API 30-015-44950

Good Morning Gentlemen:

Mosaic has met with Mewbourne Oil Company regarding the location of their SWD between the two "all depths (deep)" drill islands. Mosaic reported to BLM that they would not object to the location of the SWD well between the two drill islands.

The Secretary's Potash Order allows for three exceptions to drill oil and gas wells in the Designated Potash Area. The exceptions are:

- a. Drilling Island associated with a Development Area established under this Order or aDrilling Island established under a prior Order;
- b. Barren Area and the authorized Officer determines that such operations will not adversely affect active or planned potash mining operations in the immediate vicinity of the proposed drill-site;
- c. Drilling Island, not covered by (a) above, or single well site established under this Order by the approval and in the sole discretion of the Authorized Officer, provided that such site was jointly recommended to the Authorized Officer by the oil and gas lessee(s) and the nearest potash lessee(s).

This well would fall under (c) of the three exceptions to the Order because it was jointly recommended to BLM by both the oil and gas lessee and the nearest potash lessee.

Thank you for coordinating with us and please let me know if you need any further consideration from BLM.

Jim

James & Rutley

Geologist (Potash Specialist)

Carlsbad Field Office

Bureau of Land Management

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