

NEW MEXICO STATE LAND OFFICE
APPLICATION FOR LEASE ON STATE LANDS
FOR POTASSIUM, SODIUM, PHOSPHORUS, ETC.
 (UNDER ACT OF MARCH 11, 1929)

FOR OFFICE USE ONLY

Lease No.: 1/P-0003

Stid No.: _____

TO: Commissioner of Public Lands
 Post Office Box 1148
 Santa Fe, New Mexico 87504-1148

Sir:

I, IMC Potash Carlsbad Inc whose post office address
 is, P. O. Box 71, Carlsbad State of New Mexico Zip 88220

a citizen, or eligible to become a citizen of the United States, over the age of twenty-one years (or a corporation qualified to do business in New Mexico)

hereby make application for a mining lease for the development, exploration and production of potassium, sodium, phosphorus and their salts and
 compounds, as authorized by the Act of the New Mexico Legislature above cited, upon the following described lands, or such portion thereof as may be
 available for leasing, situated in the County of Eddy Lea, State of New Mexico to wit:

SEC	TWP	RGE	SUBDIVISION	ACRES
16	20S	32E NMPM	5 1/2 E 1/2	320.00

containing a total of 320.00 acres, more or less, and tender herewith as the first year's rental thereon, computed at the rate of \$1.00 per acre, or
 fraction of an acre, the sum of \$ 320.00 and the sum of \$ 0.00 as a bonus, together with application fee of \$30.00. The minimum
 annual rental is \$100.00.

Applicant states and shows that the facts and conditions relating to the character and value of the said lands for production of said minerals and the
 development and exploration of the same thereon and in the vicinity thereof as stated in answer to the following questions:

1. Have any test well or wells been drilled on the said lands or within five miles thereof for determining whether or not deposits of said minerals, or
 any of them, are present? N/A

2. Describe such wells by location, depth attained, and give nature and extent of deposits of the above minerals discovered, if any.

It is estimated that these lands contain approximately 1 1/4 million tons of extractable ore averaging 13.1% K₂O as
 Sylvite containing less than 200,000 tons of recoverable, salable mineral.

3. What is the value of a lease upon said lands for the above mentioned minerals? Purely Speculative
 (State the actual value, or if speculative, insert the words "purely speculative")

I, IMC Potash Carlsbad Inc, the above named applicant, do solemnly swear, or affirm, that each and
 every statement made in this application is true and correct to the best of my knowledge and belief.

IMC Potash Carlsbad Inc
 Applicant

By: [Signature]
 Attorney in Fact or Authorized Agent

STATE OF New Mexico

COUNTY OF Eddy

Subscribed and sworn to, or affirmed, before me by Don Purvis

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
 Case No. 14116 Exhibit No. 6
 Submitted by:
FASKEN OIL & RANCH, LTD
 Hearing Date: **June 27, 2008**

(Applicant, agent, attorney in fact, or officer of corporation)
 the above named applicant, this 17th day of May, 2002.

November 25, 2004

My commission expires NOV 25 2004

\$30.00F1



LINDA S. BALTZELL
 NOTARY PUBLIC
 STATE OF NEW MEXICO

My Commission Expires 11/25/2004

Linda S. Baltzell
 Notary Public



PATRICK H. LYONS
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

CERTIFIED MAIL, RETURN RECEIPT REQUESTED

July 24, 2003

Mr. Dan Morehouse
IMC Potash Carlsbad Inc.
Post Office Box 71
Carlsbad, New Mexico 88221-0071

Re: Potash Lease Applications HP-0003 and HP-0004

Dear Mr. Morehouse:

IMC Potash Carlsbad, Inc. submitted two applications to lease State Trust Lands. The first is for the E $\frac{1}{2}$ E $\frac{1}{2}$ Section 16, T20S, R32E in Lea County (HP-0003); the second is for Lots 1, 2, 3, 4, N $\frac{1}{2}$ S $\frac{1}{2}$ of Section 36, SW $\frac{1}{4}$ Section 32 of T19S, R33E and Lots 1, 2, 3, 4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ of Section 2, T20S, R32E in Lea County (HP-0004). Potash lease HP-0004 is in the process of being issued. However, lease HP-0003 has been determined to be not in the best interest of the Trust. Section 16 currently has numerous oil and gas well bores, and with the potential of additional drilling, there does not appear to be adequate clearance for economic mining; therefore, HP-0003 is rejected. All rental funds for the HP-0003 application will be refunded.

If you have any questions, please call Gene Darnell, Minerals Manager, at 505-827-5750.

Sincerely,

Jami Bailey, Director
Oil, Gas, and Minerals Division

JB/ewd