MAY **3 1** 2013

State of New Mexico

Energy, Minerals and Natural Resources Department

RECEIVED

Susana Martinez

Governor

David Martin

Cabinet Secretary Designate

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey
Division Director
Oil Conservation Division



BUREAU OF LAND MANAGEMENT

ATTN: Jim Rutley P O Box 1778

Carlsbad, NM 88221

Thank you for your assistance,

State Land Office ATTN: Stephen Wust

P O Box 1148

Santa Fe, NM 87504

RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR COG Operating LLC

LEASE NAME Ben Lilly 2 State Com #3H

PRPOSED LOCATION SHL: N Sect 2 21S-33E 330 FSL 1980 FWL BHL: C Sect 2 21S-33E 330 FNL 1980 FWL

PROPOSED DEPTH 18600

Gentlemen:

The application for permit to drill indentified above has been filed with this office of the new Mexico Oil Conservation Division. Pursuant to the provisions of Oil Conservation Division Order R-111-P, please advise this office whether the location is within an established Life-or-Mine Reserve are filed with an approved by your office. If not, please advise whether it is within the buffer zone established by the order.

Please return as soon as possible.

> Oil Conservation Division 1625 N French Drive, Hobbs New Mexico 88240 Phone (575) 393-6161• Fax (575) 393-0720 • www.emnrd.state.nm.us

State of New Mexico Energy, Minerals and Natural Resources Department

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David Martin Cabinet Secretary Designate	IIIN a 1 2012	Jami Bailey Division Director	
Brett F. Woods, Ph.D. Deputy Cabinet Secretary	JUN 0 4 2013	Oil Conservation Division	S CONSERVATION ON THE
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Thank you for your assistance. Please return as soon as possible.			
Very truly yours,			
OIL CONSERVATION DIV	/ISION		
EL Gonzales Supervisor, District I			
Response:			
The above reference location is in the LMR 2012 year)Yes NO X			
The above reference location is within the Buffer Zone Yes No _X			No_ <u></u>
Signed Date 6/3/2013			2013

Representing BLM-CFO