30-025-44898

State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor Heather Riley, Division Director Ken McQueen **Oll Conservation Division Cabinet Secretary Matthias Sayer Deputy Cabinet Secretary** January 26, 2018 **BUREAU OF LAND MANAGEMENT** STATE LAND OFFICE ATT: James S. Rutley ATT: Stephen Wust PO BOX 1148 620 E Greene Street Carlsbad, NM 88220 Santa Fe, NM 87505 RE: CHANGE LOCATION FOR PERMIT TO DRILL IN POTASH AREA OPERATOR: ADVANCE ENERGY PARTNERS HAT MESA, LLC LEASE NAME: MERCHANT STATE UNIT #506H PROPOSED LOCATION: U/L A Sec 35 T21S R33E 330 FSL 330 FEL PROPOSED DEPTH: 19531' Gentleman: The application for permit to drill identified 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-of-Mine-Reserve that are filed with and approved by your office. If not, please advise whether it is within the buffer zone established by the order. Thank you for your assistance. Please Return as soon as possible. Very truly yours, OIL CONSERVATION DIVISION Hobbs District Geologist, District I RESONSE: The above referenced location is in LMR (20/8 year) ----pcation is within the Buffer Zone-----Yes Signed

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30-025-44896

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January 26, 2018

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OIL CONSERVATION DIVISION

Hobbs District Geologist, District I

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