

State of New Mexico
Energy, Minerals and Natural Resources Department

HOBBS OCD
JAN 23 2019
RECEIVED

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary Designate

Gabriel Wade, Acting Director
Oil Conservation Division



January 22, 2019

BUREAU OF LAND MANAGEMENT
ATT: James S. Rutley
620 E Greene Street
Carlsbad, NM 88220

STATE LAND OFFICE
ATT: Stephen Wust
PO BOX 1148
Santa Fe, NM 87505

RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR: 3Bear Field Services, LLC

LEASE NAME: Grizzly SWD # 1

PROPOSED NEW OF LOCATION: U/L M Sec 10 T21S R33E 180 FSL 230 FWL

PROPOSED DEPTH: 17500' MD & 17500' TVD

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

A handwritten signature in dark ink, appearing to read "P. Kautz".
Paul Kautz

Hobbs District Geologist, District I

RESONSE:

The above referenced location is in LMR (2019 year) -----Yes ----- No ☒

The above referenced location is within the Buffer Zone -----Yes ----- No ☒

Signed A handwritten signature in dark ink, appearing to read "Stephen Wust".

Printed Signature Stephen Wust

Representing HMSL