

State of New Mexico  
Energy, Minerals and Natural Resources Department

Susana Martinez  
Governor

HOBBS OCD

John Bemis  
Cabinet Secretary

FEB 26 2013

Jami Bailey  
Division Director  
Oil Conservation Division



Brett F. Woods, Ph.D.  
Deputy Cabinet Secretary

RECEIVED

BUREAU OF LAND MANAGEMENT  
ATTN: Jim Rutley  
P O Box 1778  
Carlsbad, NM 88221

State Land Office  
ATTN: Dan Fuqua  
P O Box 1148  
Santa Fe, NM 87504

RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR COG Operating LLC

LEASE NAME Boone 16 State #4H

PROPOSED LOCATION SHL: M Sect 16 21S-33E 190 FSL 330 FWL

BHL: D Sect 16 21S-33E 330 FNL 380 FWL

PROPOSED DEPTH 16294

Gentlemen:

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-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.

Thank you for your assistance. Please return as soon as possible.

Very truly yours,

OIL CONSERVATION DIVISION

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

Signed Larry D. Rybal Date 21 Feb 13

Printed Signature Larry D. Rybal

Representing State Land Office

MAR 07 2013

HOBBS OCD

FEB 21 2013

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OIL CONSERVATION DIVISION

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

Signed [Signature] Date 2/22/13

Printed Signature Jessica Hubbling

Representing BLM-CFO

30025-41022



March 6, 2013

Oil Conservation Division  
Cindy Herrera Murillo  
1625 N. French Drive  
Hobbs, NM 88240

Dear Ms. Herrera,

COG Operating LLC., has submitted an application to drill the Boone 16 State #4H. Your office has requested a letter verifying that our applications for the above mentioned wells would not impact existing potash leases. Our office has reviewed both federal and state potash leases and there is no potash leases within the 1 mile radius of our proposed locations. The closest potash leases are in Section 13 of T. 21S, R. 32E., which is over 2 miles away.

I hope this addresses your requests.

Sincerely,

A handwritten signature in black ink, appearing to read "Rand French", written over a horizontal line.

Rand French  
Regulatory Advisor  
COG OPERATING LLC  
2208 W Main St  
Artesia, New Mexico 88210-3720  
575.748.6965  
575.513.1835 Cell

