

March 25, 2013

RE: Loco Dinero State 36 #1
Section 36, T-21-S R33-E
Lea County, New Mexico

Paul Kautz
Hobbs District Geologist
1625 North French Dr.
Hobbs, New Mexico 88240

Dear Mr. Kautz:

As requested in your email of February 21, 2013, I have research with the Mineral Manager of State Land Office in Santa Fe and the Mineral Manger of BLM Office in Carlsbad and have been advised there is not any active Potash Leases within one (1) mile radius of the proposed well.

Sincerely,

Vernon D. Dyer, CPL
Agent for Marshall & Winston, Inc

cc: Donna Mull
Hobbs District Office
1625 North French Dr
Hobbs, New Mexico 88240.

MAR 28 2013