

30-025-41092

HOBBS OCD

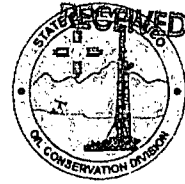
State of New Mexico
Energy, Minerals and Natural Resources Department FEB 26 2013

Susana Martinez
Governor

John Bemis
Cabinet Secretary

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

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

RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR Bluestem Energy Holdings, LLC

LEASE NAME Bobwhite 12 #4H

PROPOSED LOCATION SHL: D Sect 12 21S-33E 160 FNL 496 FWL

BHL: M Sect 12 21S-33E 330 FSL 496 FWL

PROPOSED DEPTH 16000

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 J. Regal Date 26 Feb 13

Printed Signature Larry J. Regal

Representing State land office

State of New Mexico
Energy, Minerals and Natural Resources Department

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Governor

FEB 26 2013

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RECEIVED



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OIL CONSERVATION DIVISION

EL Gonzales
Supervisor, District I

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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 2/26/13

Printed Signature Jessie Hubbling

Representing ELM-CFO

HOBBS OCD

APR 04 2013



RECEIVED

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

April 4, 2013

Dear Cindy,

The NM State Land Office has all minerals within a 1-mile radius of Bluestem's proposed Bobwhite 12 State Com 4H (D-12-21s-33e). There are no potash leases with a 1-mile radius. Closest potash lease (HP-0051-0000) is several miles northwest.

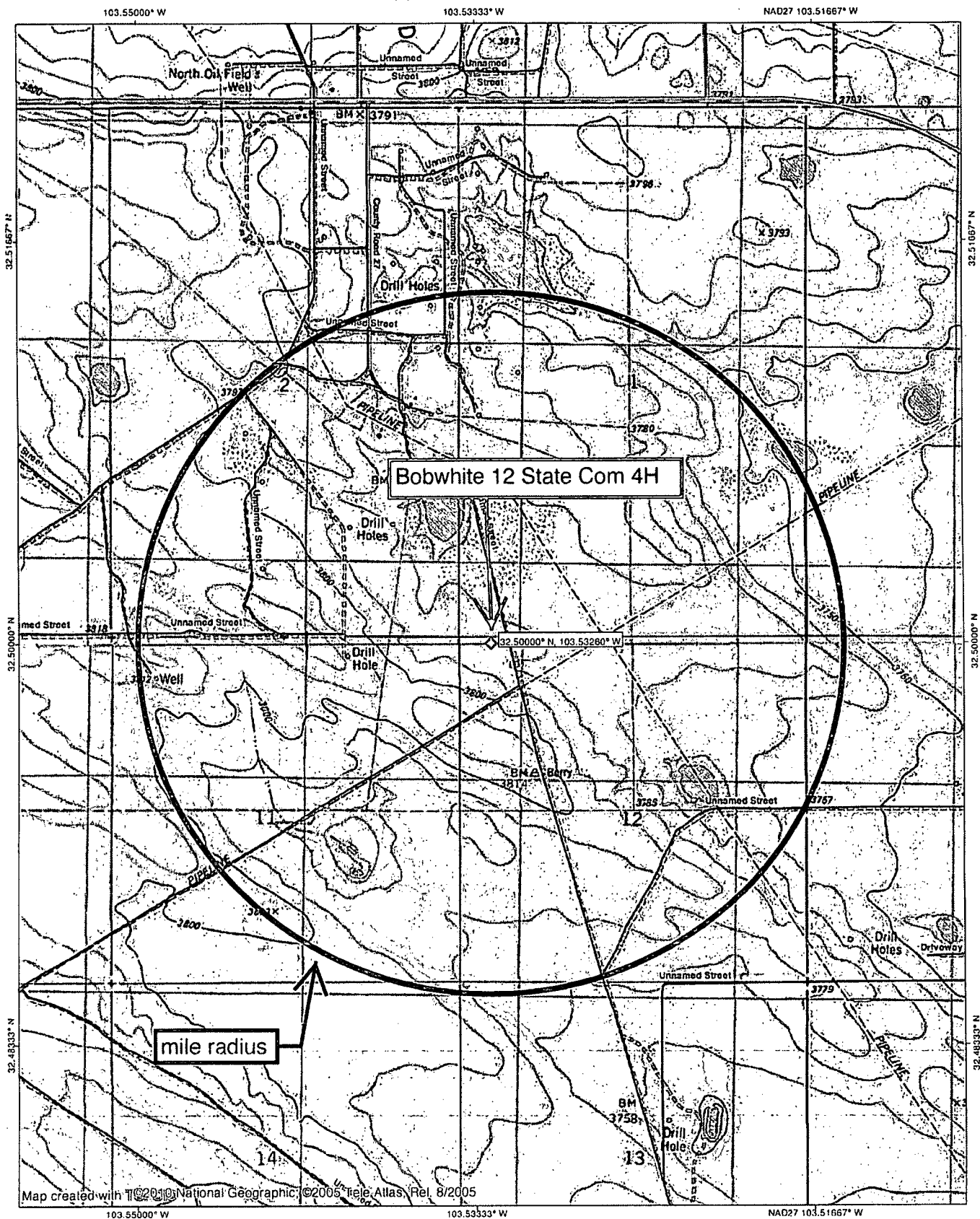
Please call me if you have any questions.

Sincerely,

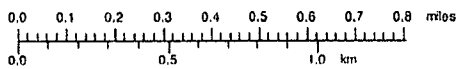
A handwritten signature in black ink, appearing to read "B. Wood".

Brian Wood

cc: Gresham



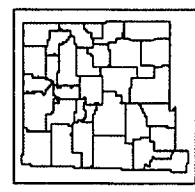
NATIONAL
GEOGRAPHIC



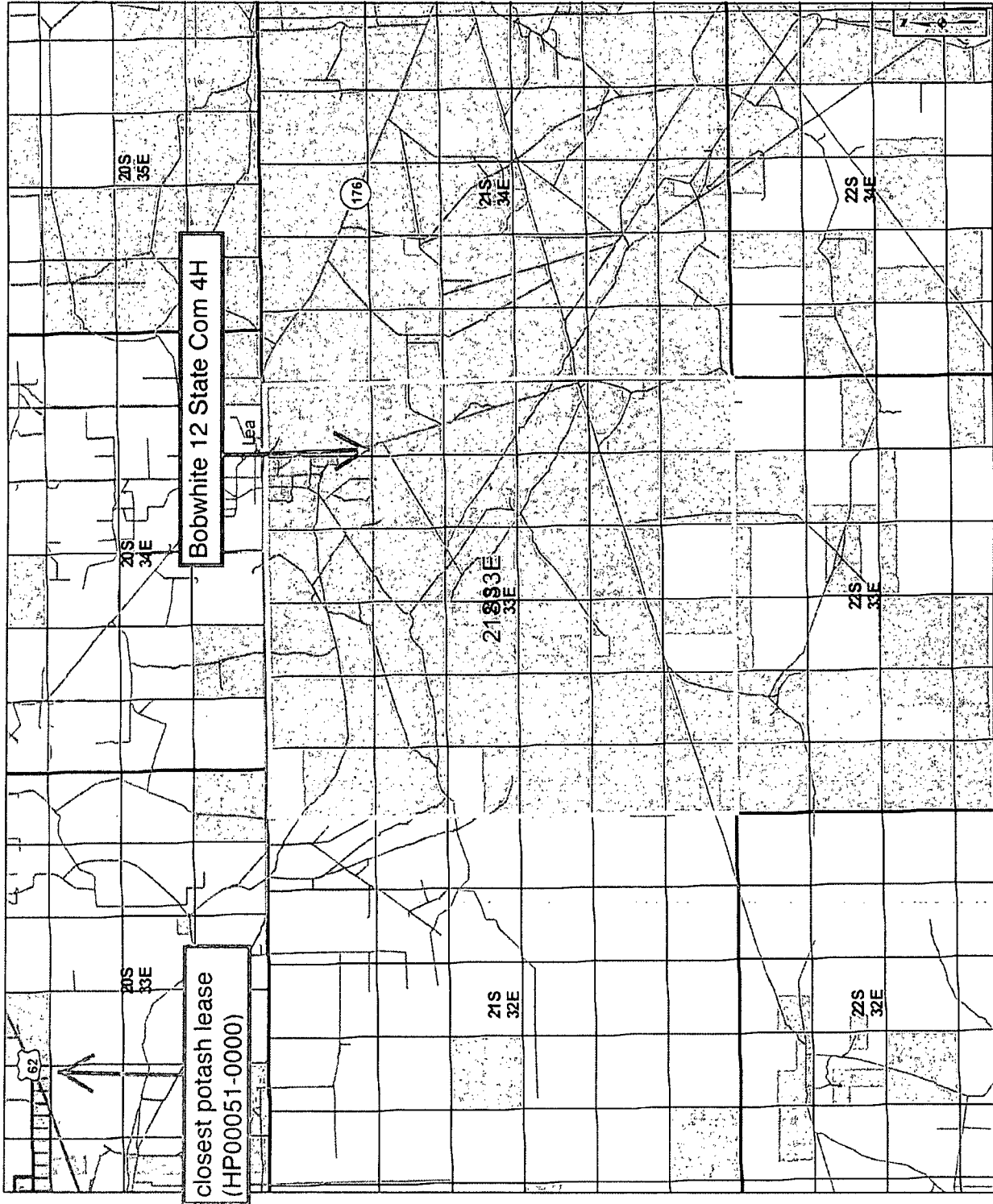
TN 11MN
7.5°
04/04/13

- Point Locations**
- County Seat
 - SLO District Offices
 - City, Town or Village
 - Volcanic Vents
 - Highway Mileposts
- NMOC Oil and Gas Wells**
- Oil
 - Injection
 - Carbon Dioxide
 - Miscellaneous
 - Gas
 - Water
 - DA or PA
 - Salt Water Disposal
- Federal Minerals**
- All Minerals
 - Coal Only
 - Oil and Gas Only
 - Oil, Gas and Coal Only
 - Other Minerals
- State Trust Lands**
- Surface Estate
 - Subsurface Estate
 - Both Estates
- NMSLO Leasing**
- Option Agreement
 - Commercial Lease
 - Minerals Lease
 - Oil and Gas Lease
 - Agricultural Lease
 - Not Available for Oil and Gas Leasing
 - Restriction Influences Oil and Gas Leasing
- Other Boundaries**
- Continental Divide
 - State Boundary
 - County Boundaries
 - Oil and Gas Unit Boundary
 - Participating Areas in Units
 - Geologic Regions
 - Potash Enclave (NMOC R-111-P)

For detailed legend of the Geologic Map of New Mexico, please see <http://geoinfo.nmt.edu/>



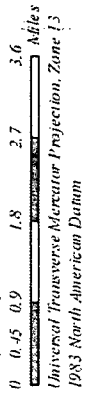
www.nmstatelands.org



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Land Office Geographic Information Center
lgic@sdn.state.nm.us

New Mexico State Land Office
 Oil, Gas, and Minerals



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