

301025-41202



HOBBS OCD

JUN 04 2013

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ELG 6-4-2013

June 4, 2013

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

Attn: Mr. Paul Kautz

Re: Ben Lilly 2 State Com #1H - Unit P, Section 2-T21S-R33E
Ben Lilly 2 State Com #3H - Unit N, Section 2-T21S-R33E
Ben Lilly 2 State Com #4H - Unit M, Section 2-T21S-R33E

Dear Mr. Kautz:

Please be advised that there are no active potash leases within one mile of the above proposed wells. These wells are four miles from any potash lease.

Sincerely,

A handwritten signature in cursive script, appearing to read "Melanie J. Parker".

Melanie J. Parker
Regulatory Analyst

CORPORATE ADDRESS

One Concho Center | 600 West Illinois Avenue | Midland, Texas 79701
PHONE 432.683.7443 | FAX 432.683.7441

LOCAL ADDRESS

Concho West | 2208 West Main Street | Artesia, New Mexico 88210
PHONE 575.748.6940 | FAX 575.748.6968

JUN 05 2013

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

HOBBS OCD

David Martin
Cabinet Secretary Designate

JUN 04 2013

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

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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: Stephen Wust
P O Box 1148
Santa Fe, NM 87504

RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR COG Operating LLC

LEASE NAME Ben Lilly 2 State Com #1H

PROPOSED LOCATION SHL: P Sect 2 21S-33E 330 FSL 660 FEL
BHL: A Sect 2 21S-33E 330 FNL 660 FEL

PROPOSED DEPTH 18600

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 [Signature] Date 6/3/2013

Printed Signature Jessie Hubbling

Representing BLM-CFO