

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary Designate

Todd E. Leahy, JD, PhD
Deputy Secretary

Gabriel Wade, Acting Director
Oil Conservation Division



March 7, 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

HOBBS OCD
MAR 08 2019
RECEIVED

RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR: Advance Energy Partners Hat Mesa, LLC

LEASE NAME: Dagger Lake 5 State # 503H

PROPOSED LOCATION: U/L L Sec 5 T22S R33E 2140 FSL 410 FWL

Lat. 32.419493 Long. -103.601773

PROPOSED DEPTH: 191009' MD

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

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 Stephen Wust

Printed Signature Stephen Wust

Representing SLD