

GUIDELINES FOR PROCESSING APD FOR WELL IN POTASH AREA -- R-111-P

BLM approves federal wells in potash area so we do not have to worry about this.

STATE & FEE LEASES

Post to map and if within the potash area outlined on map or within 1 mile of that area do the following:

- 1) Make certain operator has filed a plat of the area showing the potash lessees for the area where the well is located as well as the 1-mile radius referred to.
- 2) Make certain operator has notified all of the potash lessees by certified mail of the APD. They must send copy of delivery notice to us since 20-day waiting period starts from delivery date.
- 3) Send letter to BLM and SLO advising them of this APD and request they advise if this location is within LMR or buffer zone.

BUFFER ZONE -- shallow well is 1/4 mile of LMR
-- deep well is 1/2 mile of LMR

- 4) If application is within LMR or buffer zone you must DENY it under R-111-P unless, there is a mutual agreement of lessor and lessees of oil & gas and potash interests. Copy of this agreement must be submitted with APD.
- 5) If application is outside LMR or buffer zone and no objection is received within 20 days from date of receipt by potash lessees of certified notice, the APD may be approved.

CHECK LIST FOR PROCESSING APD IN POTASH AREA

OPERATOR: BTA Oil Producers

LEASE & WELL Gem, 8705 JV-P #9-A,

LOCATION 330/N & 990/E Sec.2, T-20s, R-33e PROPOSED DEPTH 7000'

DATE APD RECEIVED 12/28/99 WAS PLAT OF AREA ATTACHED yes

WERE ALL POTASH LESSEES NOTIFIED BY CERTIFIED MAIL? no

20-DAY WAITING PERIOD BEGINS _____ ENDS _____

WERE WAIVERS RECEIVED? Yes

DATE SLO NOTIFIED 12/28/99 DATE REPLY RECEIVED 1/3/2000

DATE BLM NOTIFIED 12/28/99 DATE REPLY RECEIVED 1/10/2000

IS LOCATION INSIDE LMR OR BUFFER ZONE? YES _____ NO X

IF LOCATION INSIDE LMR OR BUFFER ZONE WAS LESSEE/LESSOR AGREEMENT FURNISHED _____

DATE APD APPROVED 1/12/2000 DATE APD DENIED _____



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

December 28, 1999

POST OFFICE BOX 1883
HOBBS, NEW MEXICO 88241-1883
(505) 583-6181

GOVERNOR

BUREAU OF LAND MANAGEMENT
P.O. Box 1778
Carlsbad, NM 88221

STATE LAND OFFICE
Attn: Joe Mraz
P.O. Box 1148
Santa Fe, NM 87504

RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR	BTA Oil Producers
LEASE NAME	Gen, 8705 JV-P #9-A
PROPOSED LOCATION	330/N & 990/E, Sec.2, T-20s, R-33e
PROPOSED DEPTH	7000' Delaware

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-of-Mine-Reserve area 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

Chris Williams
Supervisor, District I

RESPONSE:

The above-referenced location is in LMR ----- Yes ☐ No ☒

The above-referenced location is within the buffer zone----- Yes ☐ No ☒

Signed [Signature]

Date 1-10-2000

Representing BLM



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENTOIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

December 28, 1999

GOVERNOR

POST OFFICE BOX 1880
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161BUREAU OF LAND MANAGEMENT
P.O. Box 1778
Carlsbad, NM 88221STATE LAND OFFICE
Attn: Joe Mraz
P.O. Box 1148
Santa Fe, NM 87504

RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR BTA Oil Producers
LEASE NAME Gem, 8705 JV-P #9-A
PROPOSED LOCATION 330/N & 990/E, Sec.2, T-20s, R-33e
PROPOSED DEPTH 7000' Delaware

Gentlemen:

The application for permit to drill identified above has been filled 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 area 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

Chris Williams
Supervisor, District I12-28-99
JRMRESPONSE:The above-referenced location is in LMR ----- Yes ___ No XThe above-referenced location is within the buffer zone----- Yes ___ No XSigned [Signature]
Representing SLODate 12/28/99





December 31, 1999

Oil Conservation Division
P.O. Box 1980
Hobbs, NM 88241
Attention: Mr. Chris Williams, District Supervisor

Re: BTA 8705 JV-P Gem #9
Section 2, T20S-R33E
Lea County, New Mexico

Dear Mr. Williams:

Mississippi Potash, Inc. offers no objection to the drilling of the amended location for the GEM #9 well by BTA Oil Producers.

Sincerely,

A handwritten signature in cursive script that reads "Jill Farnsworth".

Jill Farnsworth
Chief Mine Engineer

Cc: Ms. Pamela D. Inskeep
BTA Oil Producers
104 South Pecos
Midland, TX 79701

Ms. Lori Wrotenbery
Director
Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

CONFIRMATION REPORT - MEMORY SEND

Time : DEC-28-99 14:15
Fax number: 15053939758
Name : 8152219

Job : 926
Date : DEC-28 14:14
To : 17008859264
Doc. pages : 02
Start time : DEC-28 14:14
End time : DEC-28 14:15
Pages sent : 02

Job:926 *** SEND SUCCESSFUL ***

TO: Cliff Cranshaw
FROM: DONNA Pitzer

ENERGY, MINERALS & RESOURCES DEPT.
OIL CONSERVATION DIVISION
DISTRICT I
1625 N French Dr
Hobbs NM 88240

(505) 393-6161 EXT. 115

☒ FOR YOUR FILES
☒ FOR YOUR REVIEW & RETURN
☐ FOR YOUR HANDLING
☐ AS PER YOUR REQUEST
☒ PLEASE ADVISE
☐ PREPARE A REPLY FOR MY SIGNATURE
☐ FOR YOUR INFORMATION
☐ FOR YOUR APPROVAL
☐ FOR YOUR SIGNATURE
☐ FOR YOUR ATTENTION



ELF 3/16/2012
ABOVE DATE DOES NOT
INDICATE WHEN
CONFIDENTIAL LOGS
WILL BE RELEASED

CONFIRMATION REPORT - MEMORY SEND

Time : DEC-28-99 14:17
Fax number: 15053939758
Name : 8152219

Job : 927
Date : DEC-28 14:15
To : 17008274739
Doc. pages : 02
Start time : DEC-28 14:16
End time : DEC-28 14:17
Pages sent : 02

Job:927 *** SEND SUCCESSFUL ***

TO: Joe Moez
FROM: DONNA Pitzer

ENERGY, MINERALS & RESOURCES DEPT.
OIL CONSERVATION DIVISION
DISTRICT I
1625 N French Dr
Hobbs NM 88240

(505) 393-6161 EXT. 115

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