

RECEIVED:

REVIEWER:

TYPE:

APP NO:

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Geological & Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Intrepid Potash New Mexico, LLC**OGRID Number:** 372681**Well Name:** Intrepid SWD No.2**API:** 30-015-xxxxx**Pool:** Proposed: SWD; Devonian-Silurian**Pool Code:** 97869

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location - Spacing Unit - Simultaneous Dedication

☐ NSL☐ NSP (PROJECT AREA)☐ NSP (PRORATION UNIT)☒ SD

B. Check one only for [I] or [II]

[I] Commingling - Storage - Measurement

☐ DHC☐ CTB☐ PLC☐ PC☐ OLS☐ OLM

[II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX☐ PMX☒ SWD☐ IPI☐ EOR☐ PPR**2) NOTIFICATION REQUIRED TO:** Check those which apply.A. ☒ Offset operators or lease holdersB. ☐ Royalty, overriding royalty owners, revenue ownersC. ☒ Application requires published noticeD. ☒ Notification and/or concurrent approval by SLOE. ☒ Notification and/or concurrent approval by BLMF. ☒ Surface ownerG. ☒ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**☐ Notice Complete
☐ Application
Content
Complete

3) CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Ben Stone

Print or Type Name

10/19/2018

Date

903-488-9850

Phone Number

ben@sosconsulting.us

e-mail Address

Signature



October 19, 2018

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Attn: Ms. Heather Riley, Director

Re: Application of Intrepid Potash-New Mexico, LLC to permit for salt water disposal in the proposed Intrepid SWD Well No.2, to be located in Section 2, Township 21 South, Range 29 East, NMPM, Eddy County, New Mexico.

Dear Ms. Riley,

Please find enclosed form C-108 Application for Authority to Inject, supporting the above-referenced request to permit for disposal, the Intrepid SWD No.2.

Intrepid Potash-New Mexico seeks to optimize efficiency, both economically and operationally, of its operations and to offer additional disposal options for operators in southeast New Mexico. Approval of this application is consistent with that goal as well as the NMOCD's mission of preventing waste and protection of correlative rights.

Published legal notice will run on or about October 21, 2018 in the edition of the Artesia Daily Press and all offset operators and other interested parties have been notified individually. The legal notice affidavit will be forwarded when received. This application also includes a wellbore schematic, area of review maps, leaseholder plats and other required information for a complete Form C-108. The well is located on private land and minerals. As offset mineral owners, a copy of this application has been submitted to the Bureau of Land Management, Carlsbad Field Office, Oil and Gas Division as well as the State Land Office, Oil and Gas Division.

I respectfully request that the approval of this salt water disposal well proceed swiftly and if you or your staff requires additional information or has any questions, please do not hesitate to call or email me.

Best regards,

A handwritten signature in blue ink, appearing to read 'Ben Stone', is written over a light blue horizontal line.

Ben Stone, Partner
SOS Consulting, LLC
Agent for Intrepid Potash-New Mexico, LLC

Cc: Application attachment and file

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: ***Salt Water Disposal*** and the application ***QUALIFIES*** for administrative approval.
- II. OPERATOR: ***Intrepid Potash-New Mexico, LLC (Ogrid 372681)***
ADDRESS: ***1001 17TH St., Ste.1050, Denver, CO 80202***

CONTACT PARTY: ***Agent: SOS Consulting, LLC – Ben Stone (903) 488-9850***
- III. WELL DATA: ***All well data and applicable wellbore diagrams are ATTACHED.***
- IV. ***This is not an expansion of an existing project.***
- V. ***A map is attached*** that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- *VI. A tabulation is attached of data on all wells of public record within the area of review which penetrate the proposed injection zone. ***There are NO (0) Wells in the subject AOR which Penetrate the proposed Devonian interval.*** The data includes a description of each well's type, construction, date drilled, location, depth, and a schematic of any plugged well illustrating all plugging detail. ***NO P&A Wells penetrate.***
- VII. ***The following data is ATTACHED*** on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- *VIII. ***Appropriate geologic data on the injection zone is ATTACHED*** including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. ***Stimulation program – a conventional acid job may be performed to clean and open the formation.***
- *X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted). ***Well Logs will be filed with OCD.***
- *XI. ***There are several water wells (others, monitor or abandoned) within one mile of the proposed salt water disposal well. The Intrepid water well monitoring report for 2 wells within 1 mile is ATTACHED.***
- XII. ***An affirmative statement is ATTACHED that available geologic and engineering data has been examined and no evidence was found*** of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. ***"Proof of Notice" section on the next page of this form has been completed and ATTACHED. There are 3 offset lessees within 1 mile, BLM and state minerals - all have been noticed. Well location is Private.***
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: ***Ben Stone*** TITLE: ***SOS Consulting, LLC agent for Intrepid Potash-NM, LLC***

SIGNATURE:  DATE: ***10/18/2018***

E-MAIL ADDRESS: ***ben@sosconsulting.us***

- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal:

FORM C-108 – APPLICATION FOR AUTHORIZATION TO INJECT (cont.)

III. WELL DATA – *The following information and data is included (See ATTACHED Wellbore Schematic):*

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No., Location by Section, Township and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE *pursuant to the following criteria is ATTACHED.*

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include: ***Affidavit will be FORWARDED upon receipt.***

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,
- (4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.



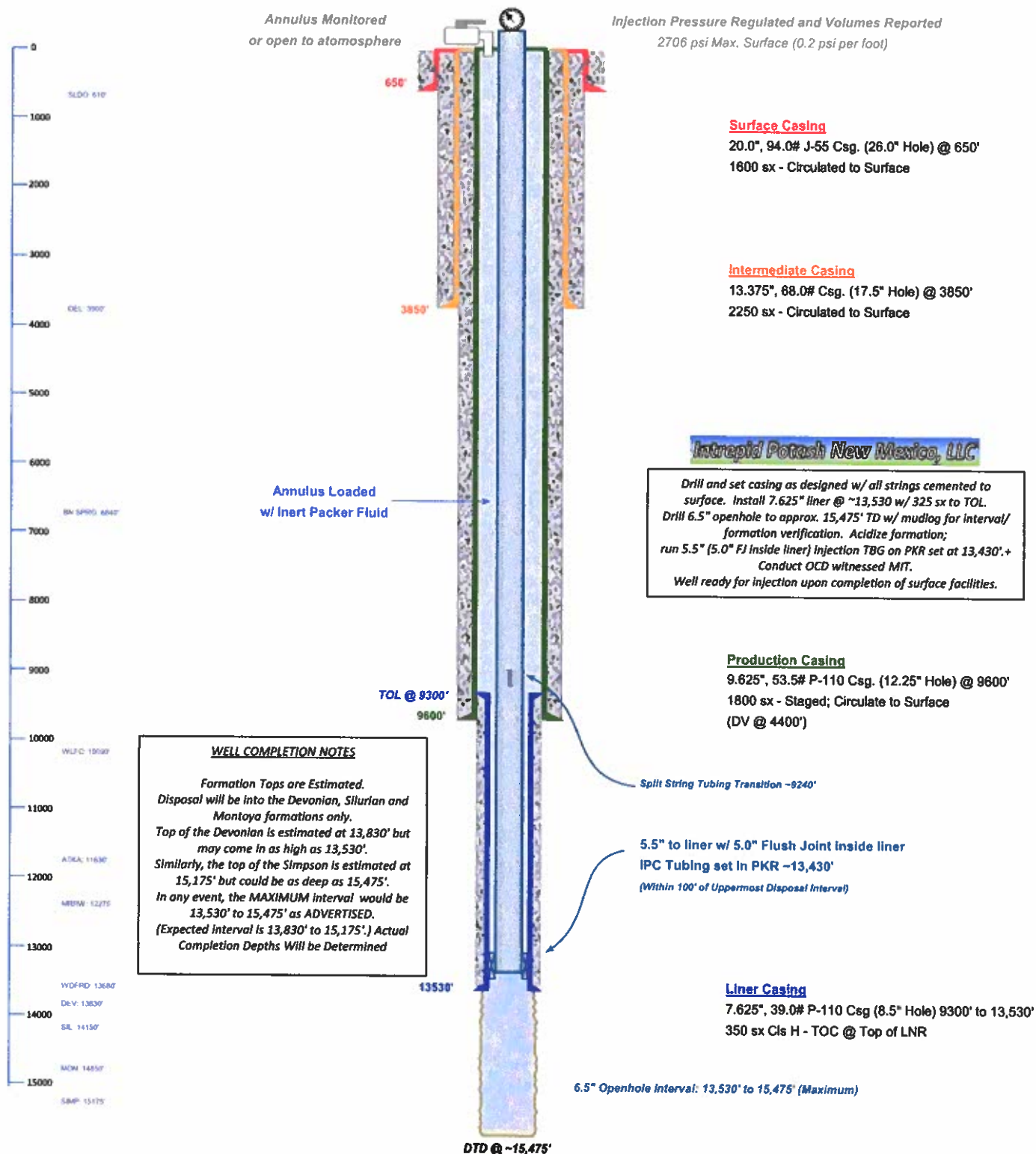
WELL SCHEMATIC - PROPOSED

Intrepid SWD Well No.2

API 30-015-xxxxx
505.6' FNL & 1474.7' FEL, SEC. 2-T21S-R29E
EDDY COUNTY, NEW MEXICO

Proposed: SWD; Devonian-Silurian-Montoya

Spud Date: 1/15/2019
SWD Config Dt: 2/15/2019

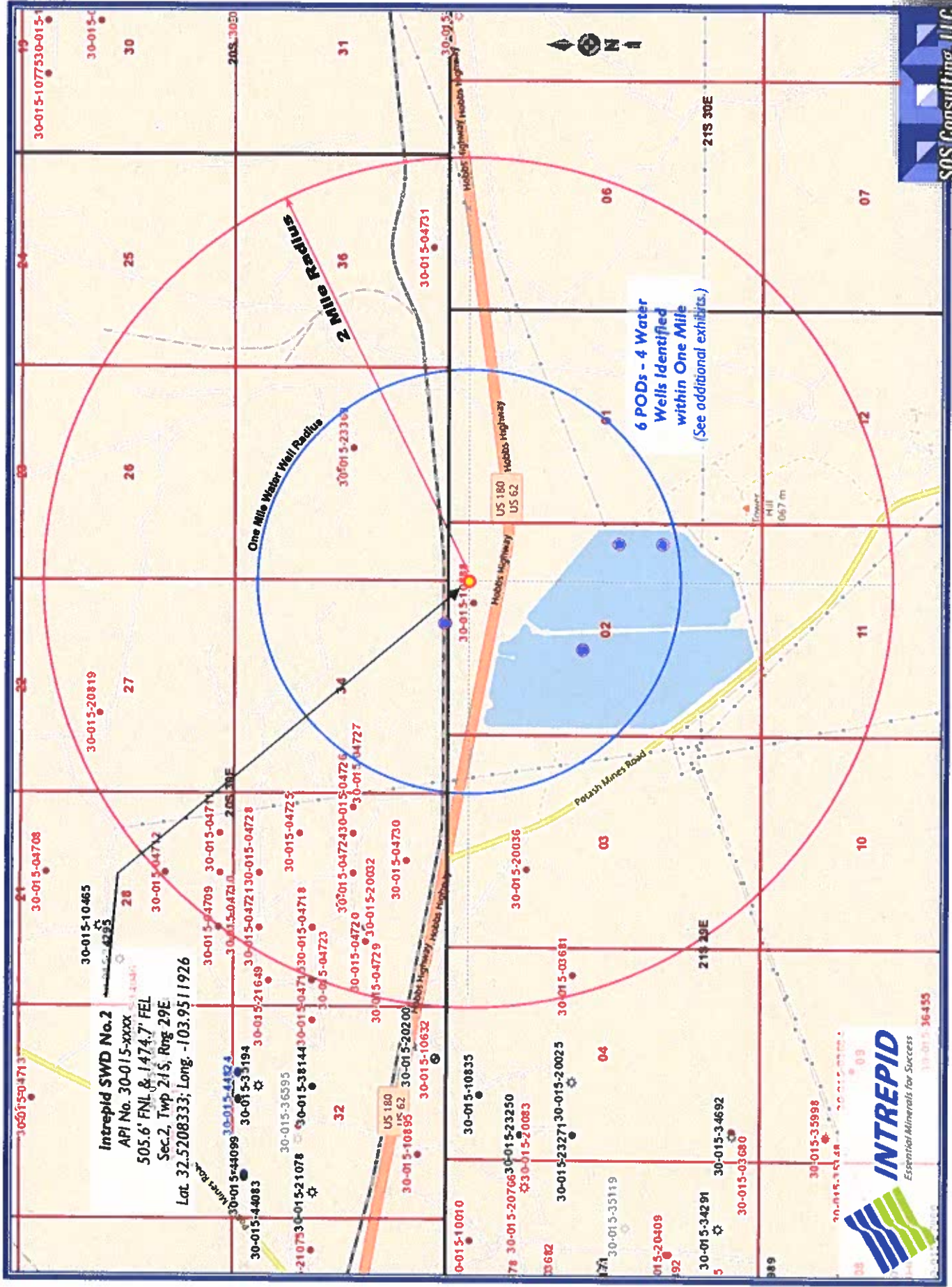


Drawn by: Ben Stone, Rvs'd 10/18/2018



Intrepid SWD No.2 - Area of Review / 2 Miles

(Attachment to NMOCD Form C-108 - Item V)



(Attachment to NMOCD Form C-108, Application for Authority to Inject.)

Intrepid SWD Well No. 2
 API No. 30-015-00000 (TBD)
 505.6' FNL & 1474.7' FEL
 Sec. 2, Twp 21S, Rng 29E
 Lat. 32.5208333; Long. -103.9511926

1 Mile Radius AOR

Mississippi River

U.S. Highway 16

Intrepid SWD Well No. 2

API No. 30-015-00000 (TBD)

505.6' FNL & 1474.7' FEL

Sec. 2, Twp 21S, Rng 29E

Lat. 32.5208333; Long. -103.9511926



Eddy County, New Mexico

C-108 ITEM X

LOGS and AVAILABLE TEST DATA

**A Standard Suite of Logs will be run after
drilling the well and submitted to the Division.**

C-108 Item VII

Proposed Operation

Intrepid SWD No.2

Commercial SWD Facility

Upon approval of all permits for SWD, operations would begin within 30 days. Completion of the well operations will take approximately 6-8 weeks. Facility construction including installation of the tank battery, berms, plumbing and other and associated equipment would be occurring during the same interval but at a different location from the well. In any event, it is not expected for the construction phase of the project to last more than 60 days, depending on availability of contractors and equipment.

Configure for Salt Water Disposal

Prior to commencing any work, an NOI sundry(ies) will be submitted to configure the well for SWD and will detail the completion workover including all work otherwise described above, any change to the procedure noted herein and to perform mechanical integrity pressure test per OCD and BLM test procedures. (Notify NMOCD 24 hours prior.) The casing/tubing annulus will be monitored for communication with injection fluid or loss of casing integrity.

Operational Summary

The SWD facility will not be fenced so that trucks may access for load disposal 24/7.

The well and injection equipment will be a closed system and equipped with pressure limiting devices and volume meters. The annulus, loaded with an inert, anti-corrosion packer fluid, will be monitored for pressure.

The tanks will be equipped with telemetry devices and visual alarms to alert the operator and customers of full tanks or an overflow situation.

Anticipated daily maximum volume is 30,000 bpd and an average of 17,500 bpd at a maximum surface injection pressure of 2706 psi (.2 psi/ft gradient – maximum pressure will be adjusted if the top of interval is modified after well logs are run).

Potential releases will be contained and cleaned up immediately. The operator shall repair or otherwise correct the situation within 48 hours before resuming operations. OCD will be notified within 24 hours of any release greater than 5 bbls. If required, remediation will start as soon as practicable. Operator shall comply with 19.15.29 NMAC and 19.15.30 NMAC; as necessary and appropriate and OCD form C-141 will be submitted promptly.

C-108 ITEM VII – PRODUCED WATER ANALYSES

Item VII.4 – Water Analysis of Source Zone Water

Glorieta/ Yeso
Bone Spring
Wolfcamp

Item VII.5 – Water Analysis of Disposal Zone Water

Devonian

Water Analyses follow this page.

C-108 Item VII.5 - Produced Water Data
Intrepid Potash NM, LLC - Intrepid SWD No.2 Project

SOURCE ZONE

GLO/YESO

| | | | |
|--------------------------------|--------------------------------|-------------------------|---------------------|
| API No | 3001524754 | Lab ID | |
| Well Name | PLATT PA 009 | Sample ID | 1146 |
| | | Sample No | |
| Location | ULSTR 26 18 S 26 E 330 S 990 W | Lat / Long | 32.71216 -104.35742 |
| | | County | Eddy |
| Operator (when sampled) | Yates Petroleum Corp. | | |
| | Field ATOKA | Unit | M |
| Sample Date | 8/4/1984 | Analysis Date | |
| | Sample Source Wellhead | Depth (if known) | |
| | Water Typ Produced Water | | |
| ph | 7.5 | alkalinity_as_caco3_mgL | |
| ph_temp_F | | hardness_as_caco3_mgL | |
| specificgravity | | hardness_mgL | 1800 |
| specificgravity_temp_F | | resistivity_ohm_cm | |
| tds_mgL | 120382 | resistivity_ohm_cm_temp | |
| tds_mgL_180C | | conductivity | |
| chloride_mgL | 113000 | conductivity_temp_F | |
| sodium_mgL | 71415 | carbonate_mgL | 0 |
| calcium_mgL | 2560 | bicarbonate_mgL | 476 |
| iron_mgL | 0 | sulfate_mgL | 2001 |
| barium_mgL | | hydroxide_mgL | |
| magnesium_mgL | 0 | h2s_mgL | 0 |
| potassium_mgL | | co2_mgL | |
| strontium_mgL | | o2_mgL | |
| manganese_mgL | | anionremarks | |
| Remarks | | | |

(Produced water data courtesy of NMT Octane NM WAIDS database.)



C-108 Item VII.5 - Produced Water Data
Intrepid Potash NM, LLC - Intrepid SWD No.2 Project

SOURCE ZONE

GLO/YESO

| | | | |
|--------------------------------|---------------------------------|--------------------------------|---------------------|
| | | Lab ID | |
| API No | 3001524619 | Sample ID | 1207 |
| Well Name | PLATT PA 008 | Sample No | |
| Location | ULSTR 26 18 S 26 E 430 S 2260 W | Lat / Long | 32.71245 -104.35329 |
| | | County | Eddy |
| Operator (when sampled) | Yates Petroleum Corporation | | |
| | Field | ATOKA | Unit N |
| Sample Date | 1/19/1985 | Analysis Date | |
| | Sample Source well head | Depth (if known) | |
| | Water Typ Produced Water | | |
| ph | 6 | alkalinity_as_caco3_mgL | |
| ph_temp_F | | hardness_as_caco3_mgL | |
| specificgravity | | hardness_mgL | 11500 |
| specificgravity_temp_F | | resistivity_ohm_cm | |
| tds_mgL | 136324 | resistivity_ohm_cm_temp | |
| tds_mgL_180C | | conductivity | |
| chloride_mgL | 121000 | conductivity_temp_F | |
| sodium_mgL | 61571 | carbonate_mgL | |
| calcium_mgL | 4160 | bicarbonate_mgL | 104 |
| iron_mgL | 0 | sulfate_mgL | 3720 |
| barium_mgL | | hydroxide_mgL | |
| magnesium_mgL | 7340 | h2s_mgL | |
| potassium_mgL | | co2_mgL | |
| strontium_mgL | | o2_mgL | |
| manganese_mgL | | anionremarks | |
| Remarks | | | |

(Produced water data courtesy of NMT Octane NM WAIDS database.)



C-108 Item VII.5 - Produced Water Data
Intrepid Potash NM, LLC - Intrepid SWD No.2 Project

SOURCE ZONE

BONE SPRING

| | | | |
|--------------------------------|----------------------|-------------------------|---------------------|
| | | Lab ID | |
| API No | 3001520225 | Sample ID | 5847 |
| Well Name | BIG EDDY UNIT 012 | Sample No | |
| Location | ULSTR 21 20 S 31 E | Lat / Long | 32.56399 -103.87994 |
| | 660 N 660 W | County | Eddy |
| Operator (when sampled) | MALLON OIL COMPANY | | |
| | Field | BIG EDDY | |
| | | Unit D | |
| Sample Date | 8/27/1999 | Analysis Date | 8/31/1999 |
| | Sample Source | Depth (if known) | |
| | Water Typ | | |
| ph | 5.2 | alkalinity_as_caco3_mgL | |
| ph_temp_F | | hardness_as_caco3_mgL | |
| specificgravity | 1.125 | hardness_mgL | |
| specificgravity_temp_F | | resistivity_ohm_cm | |
| tds_mgL | 181697 | resistivity_ohm_cm_temp | |
| tds_mgL_180C | | conductivity | |
| chloride_mgL | 123750 | conductivity_temp_F | |
| sodium_mgL | 73895.6 | carbonate_mgL | |
| calcium_mgL | 5625 | bicarbonate_mgL | 13.725 |
| iron_mgL | 337.5 | sulfate_mgL | 787.5 |
| barium_mgL | | hydroxide_mgL | |
| magnesium_mgL | | h2s_mgL | 0 |
| potassium_mgL | | co2_mgL | |
| strontium_mgL | | o2_mgL | |
| manganese_mgL | | anionremarks | |
| Remarks | | | |

(Produced water data courtesy of NMT Octane NM WAIDS database.)



C-108 Item VII.5 - Produced Water Data
Intrepid Potash NM, LLC - Intrepid SWD No.2 Project

SOURCE ZONE

WOLFCAMP

| | | | |
|--------------------------------|-------------------------------------|--------------------------|-------------------------|
| | | Lab ID | |
| API No | 3001520138 | Sample ID | 5688 |
| Well Name | MAHUN STATE 001 | Sample No | |
| Location | ULSTR 16 22 S 22 E 1800 N 1980 W | Lat / Long | 32.39340 -104.70979 |
| | | County | Eddy |
| Operator (when sampled) | | | |
| | Field | ROCKY ARROYO | Unit F |
| Sample Date | 5/17/1968 | Analysis Date | |
| | Sample Source | DST | Depth (if known) |
| | Water Type | | |
| ph | 8.6 | alkalinity_as_caco3_mgL | |
| ph_temp_F | | hardness_as_caco3_mgL | |
| specificgravity | | hardness_mgL | |
| specificgravity_temp_F | | resistivity_ohm_cm | |
| tds_mgL | 35495 | resistivity_ohm_cm_temp_ | |
| tds_mgL_180C | | conductivity | |
| chloride_mgL | 19000 | conductivity_temp_F | |
| sodium_mgL | | carbonate_mgL | |
| calcium_mgL | | bicarbonate_mgL | 830 |
| iron_mgL | | sulfate_mgL | 2500 |
| barium_mgL | | hydroxide_mgL | |
| magnesium_mgL | | h2s_mgL | |
| potassium_mgL | | co2_mgL | |
| strontium_mgL | | o2_mgL | |
| manganese_mgL | | anionremarks | |

Remarks

(Produced water data courtesy of NMT Octane NM WAIDS database.)



C-108 Item VII.5 - Produced Water Data
Intrepid Potash NM, LLC - Intrepid SWD No.2 Project

DISPOSAL ZONE

DEVONIAN

| | | | |
|--------------------------------|--------------------------|--------------------------|---------------------|
| API No. | 3001510280 | Lab ID | |
| Well Name | JURNEGAN POINT 001 | Sample ID | 6170 |
| | | Sample No | |
| Location | ULSTR 05 24 S 25 E | Lat / Long | 32.24037 -104.42375 |
| | 660 S 660 W | County | Eddy |
| Operator (when sampled) | | | |
| | Field WILDCAT | Unit | M |
| Sample Date | 12/14/1964 | Analysis Date | |
| | Sample Source DST | Depth (if known) | |
| | Water Type | | |
| ph | 7 | alkalinity_as_caco3_mgL | |
| ph_temp_F | | hardness_as_caco3_mgL | |
| specificgravity | | hardness_mgL | |
| specificgravity_temp_F | | resistivity_ohm_cm | |
| tds_mgL | 229706 | resistivity_ohm_cm_temp_ | |
| tds_mgL_180C | | conductivity | |
| chloride_mgL | 136964 | conductivity_temp_F | |
| sodium_mgL | | carbonate_mgL | |
| calcium_mgL | | bicarbonate_mgL | 198 |
| iron_mgL | | sulfate_mgL | 2511 |
| barium_mgL | | hydroxide_mgL | |
| magnesium_mgL | | h2s_mgL | |
| potassium_mgL | | co2_mgL | |
| strontium_mgL | | o2_mgL | |
| manganese_mgL | | anionremarks | |
| Remarks | | | |

(Produced water data courtesy of NMT Octane NM WAIDS database.)



C-108 – Item VIII

Geologic Information

The Devonian, Silurian and upper Ordovician all consist of carbonates including light colored dolomite and chert intervals interspersed with some tight limestone intervals. Several thick sections of porous dolomite capable of taking water are present within the subject formations in the area. It is reasonable to assume that a Silurian section is present between the Devonian and Ordovician (Montoya) although the top depth of Silurian and Ordovician intervals is uncertain at this time. If the base of Devonian and top of Silurian and/or Ordovician rocks come in as expected the well will only be drilled deep enough for adequate logging rathole.

At a proposed depth of 15,275' below ground level (15,575' contingent) the well will TD approximately 1,500 to 2,000 feet below the estimated top of the Devonian. Mud logging through the interval will ensure the target interval remains in Devonian, Silurian and Ordovician. Once Devonian is determined, the casing shoe depth will be set at an approximate maximum depth of 13,530' BGL. Injection will occur through the resulting openhole interval.

COMPLETION NOTES: Lacking depth control in the immediate vicinity, formation tops are estimated. Disposal will be into the Devonian, Silurian and Montoya formations only. Top of the Devonian is estimated at 13,830' but may come in as high as 13,530'. Similarly, the top of the Simpson is estimated at 15,175' but could be as deep as 15,475'. In any event, the MAXIMUM interval would be 13,530' to 15,475' as ADVERTISED. (Expected interval may be 13,830' to 15,175'.) Actual completion depths will be determined by mud and openhole logs and will be reported by sundry notice and the C-105 completion report.

The Devonian is overlain by the Woodford Shale and Ordovician (Montoya) rock is underlain by the Middle and Lower Ordovician; Simpson and Ellenburger.

Fresh water in the area is generally available from the Rustler and overlying, localized occurrences of Dewey Lake or Quaternary deposits. State Engineer's records show water wells in the area with a depth to groundwater of 200 to 315 feet with an average depth to groundwater of 241 feet.

There are several water wells located within one mile of the proposed SWD (some are abandoned and some are monitor wells); Intrepid's monitoring reports are attached.

C-108 – Item VIII

Geologic Information

Formation Tops

Dan Tschopp, Corporate Manager of Geology and GIS
Intrepid Potash Company

| Formation | ~TVD | Completed Interval | Contingency | Permitted Interval |
|-------------|--------|---|-------------|--------------------|
| SLDO | 610 | | | |
| DLWR | 3,900 | | | |
| BSPG | 6,840 | | | |
| WFMP | 10,090 | | | |
| ATOK | 11,630 | | | |
| MRRW | 12,275 | | | |
| MSSPL | 13,230 | | | |
| WDFDSH | 13,680 | | | |
| DVNN | 13,830 | 13,830 to 15,175 plus/minus contingency | -300 | 13,530 |
| SLRN | 14,150 | | | |
| MNTY | 14,850 | | | |
| SMPS | 15,175 | | +300 | 15,475 |
| Total Depth | 15,275 | | +300 | 15,575 |

C-108 – Item VIII

Geologic Information

Induced Seismicity Near Intrepid SWD 2 Proposed Location

Dan Tschopp, Corporate Manager of Geology and GIS

Intrepid Potash Company

Five Mile Radius

There are two salt water disposal (SWD) wells within five miles of Intrepid's proposed SWD 2. Both inject into the Guadalupian.

Per the USGS Earthquake Hazards Program, there have been zero recorded earthquakes in the same radius. This is likely due to the lack of documented basement faults in the vicinity.

Please refer to the attached map for SWD locations and volume information, plus earthquake activity.

Ten Mile Radius

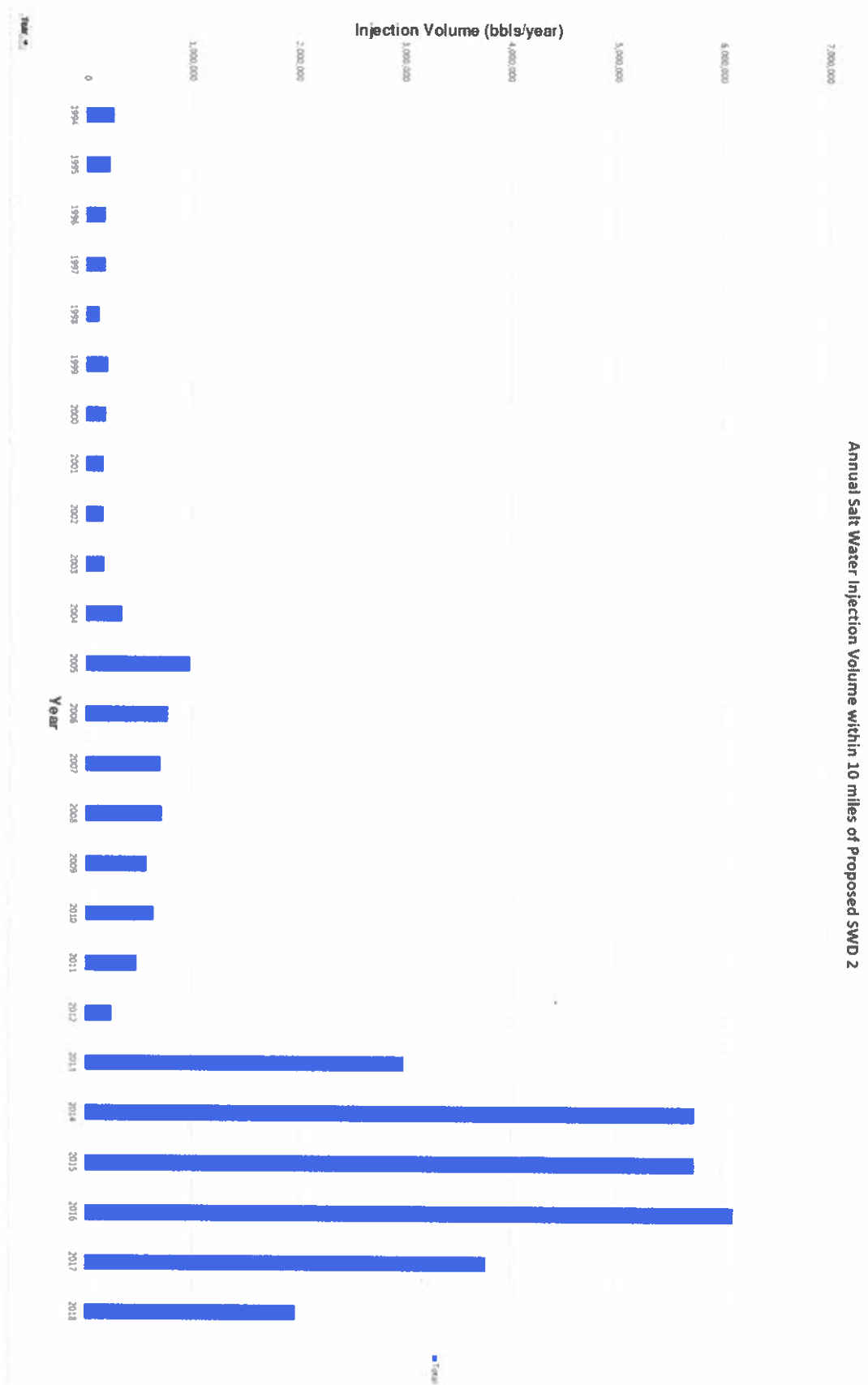
Due to lack of Devonian data within five miles, the search radius was increased to ten miles. At this point the SWD well count increases to thirteen, with four injecting in or below the Devonian.

Despite the increase in well count and injection volumes, both above and below the Devonian, there are zero recorded earthquakes within this radius. This is likely due to the lack of documented basement faults in the vicinity.

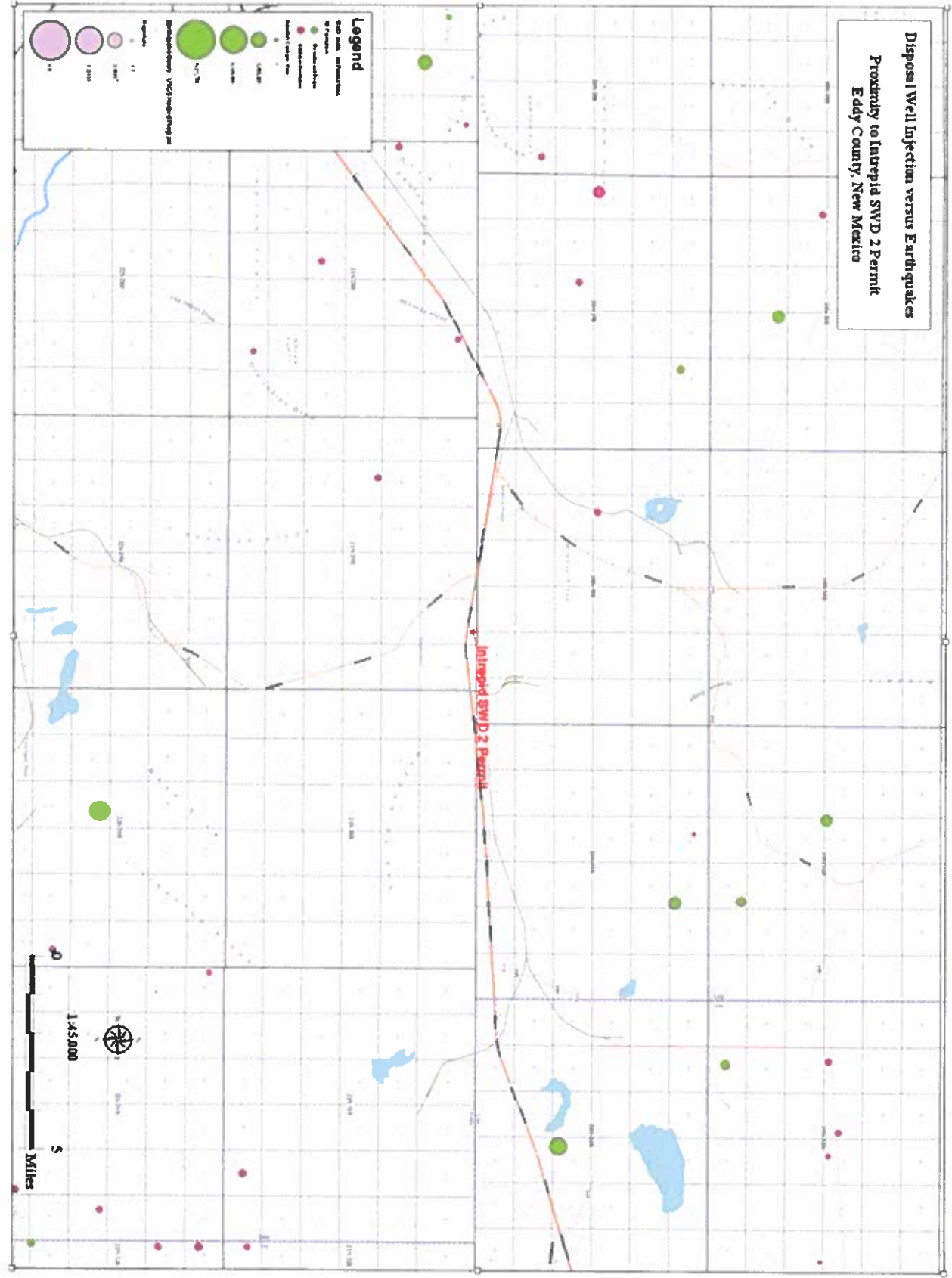
Please refer to the attached chart for injection volume information for the wells discussed within the ten mile radius. Also, please revert to the map for SWD locations and volume information, plus earthquake activity.

Conclusion

Due to the absence of earthquake activity in the area, and the distance from documented basement faults, there appears to be minimal risk of inducing seismicity in the vicinity of SWD 2.



**Disposal Well Injection versus Earthquakes
Proximity to Intrepid SVD 2 Permit
Eddy County, New Mexico**



C-108 Item XI

Water Wells in AOR

There are 4 water/ monitoring wells (6 PODs) within one mile of the proposed SWD.

New Mexico Office of the State Engineer

Active & Inactive Points of Diversion

(with Ownership Information)

| (acre ft per annum) | | | | | | | | | | | | | | | | |
|--------------------------|-----|-------|------|-----------|--------------------------------|--------|-------------------------------|------------|----------|---------|-----|-----|-------|-----|--------|---------|
| WR File Nbr | Sub | basin | Use | Diversion | Owner | County | POD Number | Code Grant | Source | Quarter | Sec | Twp | Range | X | Y | |
| CP 00420 | CP | PRO | 0 | | MCVAY DRILLING COMPANY | ED | CP 00420 | | Shallow | 4 | 2 | 02 | 21S | 29E | 598734 | 3597479 |
| CP 00844 | CP | IND | 1451 | | INTREPID POTASH-NEW MEXICO LLC | ED | CP 00844 POD3 | | Shallow | 1 | 3 | 02 | 21S | 29E | 597930 | 3597730 |
| | | | | | | ED | CP 00844 POD4 | | Shallow | 3 | 2 | 02 | 21S | 29E | 598108 | 3598824 |
| CP 00845 | CP | IND | 1451 | | INTREPID POTASH-NEW MEXICO LLC | ED | CP 00845 POD3 | | | 2 | 2 | 02 | 21S | 29E | 598734 | 3597149 |
| CP 00887 | CP | EXP | 0 | | H & B POTASH | ED | CP 00887 POD1 | | | 2 | 2 | 02 | 21S | 29E | 598734 | 3597149 |
| CP 00888 | CP | EXP | 0 | | H & B POTASH | ED | CP 00888 POD1 | | Artesian | 4 | 2 | 02 | 21S | 29E | 597930 | 3597730 |

Record Count: 6

PLSS Search:

Section(s): 2

Township: 21S

Range: 29E

| WR File Nbr | Sub | basin | Use | Diversion | Owner | County | POD Number | Code Grant | Source | Quarter | Sec | Twp | Range | X | Y | |
|--------------------------|-----|-------|------|-----------|--------------------------------|--------|-------------------------------|------------|---------|---------|-----|-----|-------|-----|--------|---------|
| CP 00844 | CP | IND | 1451 | | INTREPID POTASH-NEW MEXICO LLC | ED | CP 00844 POD3 | | Shallow | 1 | 3 | 01 | 21S | 30E | 598508 | 3598883 |

Outside 1-mile radius.

Record Count: 1

PLSS Search:

Section(s): 1

Township: 21S

Range: 30E

No PODs found

PLSS Search:

Section(s): 34

Township: 20S

Range: 30E

No PODs found.

PLSS Search:

Section(s): 35

Township: 20S

Range: 30E

The monitoring reports for 2 of the closest wells follows in this section.

C-108 Item XI

Water Wells Within One Mile

Intrepid SWD No.2 - Water Well Locator Map

There are 4 water/ monitor wells/ (6 PODs) within a one-mile radius of the proposed SWD.

Intrepid's monitoring report for 2 wells is included.



Data from NM Office of the State Engineer displayed in Google Earth

C-108 ITEM XI – WATER WELLS IN AOR

Depth to Ground Water



New Mexico Office of the State Engineer Water Column/Average Depth to Water

(A CLW##### in the
POD suffix indicates the
POD has been replaced
& no longer serves a
water right file.)

(R=POD has
been replaced,
O=orphaned,
C=the file is
closed)

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest) (NAD83 UTM in meters)

(In feet)

| POD Number | POD Sub- Code | basin | County | Q 84 | Q 16 | Q 4 | Sec | Tws | Rng | X | Y | Depth Well | Depth Water | Water Column |
|-------------------------------|---------------------|-------|--------|------|------|-----|-----|-----|-----|--------|----------|---------------|----------------|-----------------|
| C 02223 | C | ED | | 1 | 2 | 2 | 36 | 21S | 29E | 600316 | 3589948* | 350 | 200 | 150 |
| C 03764 POD1 | CUB | ED | | 4 | 3 | 3 | 25 | 21S | 29E | 599329 | 3590096 | 460 | | |
| CP 00420 | CP | ED | | 4 | 2 | 02 | | 21S | 29E | 598734 | 3597479* | 308 | 210 | 98 |
| CP 00430 | CP | ED | | 1 | 4 | 1 | 03 | 21S | 29E | 596221 | 3597558* | 360 | 225 | 135 |
| CP 00644 POD3 | CP | ED | | 1 | 3 | 02 | | 21S | 29E | 597931 | 3597739 | 400 | 248 | 152 |
| CP 00644 POD4 | CP | ED | | 3 | 2 | 2 | 02 | 21S | 29E | 598109 | 3598824 | 518 | 315 | 203 |
| CP 00988 POD1 | CP | ED | | 4 | 2 | 1 | 02 | 21S | 29E | 597931 | 3597739 | 400 | 248 | 152 |

Average Depth to Water: **241 feet**

Minimum Depth: **200 feet**

Maximum Depth: **315 feet**

Record Count: 7

PLSS Search:

Township: 21S

Range: 29E

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

**Table 4 - Groundwater Elevation and Analytical Data
First Quarter 2018 Monitoring Report**

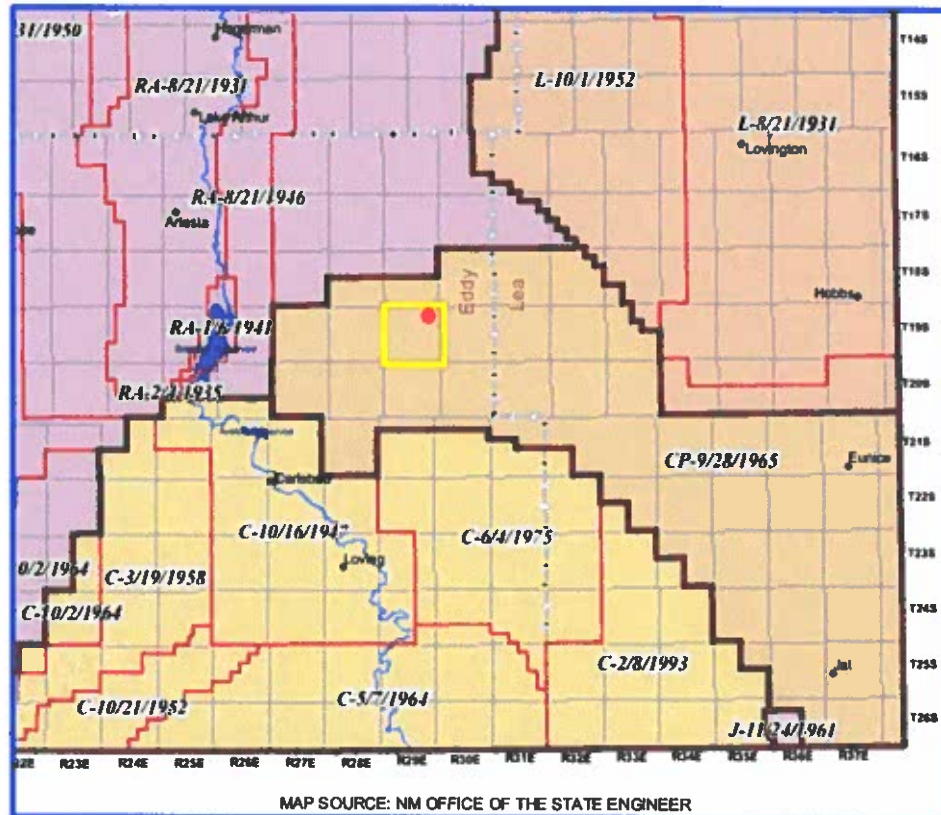
| Sample Date | Water Levels | | | Field Parameters | | | RCRA Metals | | | | | | | | | | Laboratory Reported Results (mg/L, unless otherwise stated) | | | | | | | | | | Other Analysis | | | | |
|-------------|---------------------|---------------------------|----------------------|--------------------|------------|-------------------------|-------------------------|---------|----------|---------|---------|---------|----------|---------|---------|----------|---|---------|-----------|-----------|--------|-------|-----------|----------|-------------------|---------|---------------------------------|-----------------|-------|---------|-------|
| | Depth to Water (ft) | Casing Elevation (ft msl) | Water Level (ft msl) | Elevation (ft msl) | Temp. (°F) | Conductivity (µmhos/cm) | Dissolved Oxygen (mg/L) | pH (au) | ORP (mv) | Arsenic | Barium | Cadmium | Chromium | Lead | Mercury | Selenium | Silver | Calcium | Magnesium | Potassium | Sodium | Boron | Carbonate | Chloride | Nitrate + Nitrite | Sulfate | Specific Conductance (µmhos/cm) | Ion Balance (%) | TDS | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3/26/2007 | 213.36 | 3404.41 | 3181.05 | NA | NA | NA | NA | NA | NA | <0.01J | 0.01EJ | <0.01* | <0.05U | <0.01Z | <0.0020 | <0.01Z | <0.01Z | 560J | 110J | 22J | 82J | 84 | <10 | 110 | 17J | 1600 | 3,000 | 5 | 7.5 | 3,100 | |
| 3/28/2007 | 213.36 | 3404.41 | 3181.05 | NA | NA | NA | NA | NA | NA | <0.01J | 0.01J | <0.0040 | <0.05U | <0.0050 | <0.0020 | <0.01Z | <0.0050 | 590J | 120J | 22J | 83J | 85 | <10 | 100 | 18 | 1,500 J | 3,000 | 11 | 7.5 | 3,000 | |
| 3/28/2007 | 213.36 | 3404.41 | 3181.05 | NA | NA | NA | NA | NA | NA | <0.01J | 0.01 | <0.0040 | <0.05U | <0.0050 | <0.0020 | <0.01Z | <0.0050 | 570J | 130J | 21J | 75J | 85 | <10 | 100 | 18 | 1,500 | 3,000 | 9 | 7.6 | 2,800 | |
| 6/5/2007 | 209.54 | 3404.41 | 3184.07 | NA | NA | NA | NA | NA | NA | 0.01 | 0.06 | <0.0040 | <0.010 | <0.0050 | <0.0020 | <0.0050 | <0.0050 | 610J | 120J | 15J | 10J | 100 | <10 | 100 | 0.0 | 1,600 | 3,000 | 5 | 7.9 | 3,000 | |
| 6/7/2007 | 207.71 | 3404.41 | 3184.07 | NA | NA | NA | NA | NA | NA | <0.05J | <0.10J | <0.040* | <0.10 | <0.05U | <0.0020 | <0.05U | <0.05U | 610J | 130J | <10 | <10 | 100 | <10 | 110 | 0.9 | 1,700 | 3,000 | 9 | 7.4 | 2,300 | |
| 12/1/2007 | 207.35 | 3404.41 | 3185.48 | 71 | 2.93E | E | 3.6 | 362 | 0.01 | 0.01 | <0.0039 | <0.10J | 0.00 | <0.0050 | 0.01 | <0.0050 | 600J | 120J | 27J | 180J | 93 | <10 | 110 | 1.3 | 1,700 J | 3,000 | 7 | 7.4 | 2,300 | | |
| 3/25/2008 | 208.83 | 3404.41 | 3185.48 | 71 | 2.93E | E | 3.6 | 362 | 0.01 | 0.01 | <0.0039 | <0.10J | 0.00 | <0.0050 | 0.00 | <0.004 | 610J | 130J | 13J | 95J | 130 | <10 | 89 | 1.5 | 1,600 | 3,000 | 5 | 7.4 | 1,800 | | |
| 7/22/2008 | 212.20 | 3404.41 | 3182.21 | 71 | 3.020 | E | 7.4 | 739 | 0.01 | 0.01 | <0.0039 | <0.10J | 0.00 | <0.0050 | 0.00 | <0.004 | 630J | 120J | 12J | 80J | 93 | <10 | 100 | 1.4 | 1,700 | 3,000 | 5 | 7.4 | 1,800 | | |
| 8/13/2008 | 213.83 | 3404.41 | 3180.56 | 60 | 4.35E | E | 7.1 | 769 | 0.01 | 0.01 | <0.0022 | <0.10J | 0.00 | <0.0050 | 0.00 | <0.004 | 630J | 130J | 13J | 120J | 120 | <10 | 100 | 1.5 | 1,600 | 3,000 | 0 | 7.6 | 800 | | |
| 4/8/2009 | 219.02 | 3404.41 | 3185.30 | 70 | 2.857 | E | 7.3 | 759 | 0.01 | 0.01 | <0.0039 | <0.10J | 0.00 | <0.0050 | <0.004 | <0.004 | 570J | 120J | 11J | 87J | 95 | <10 | 100 | 1.4 | 1,800 | 3,000 | 0 | 7.6 | 800 | | |
| 7/15/2009 | 220.33 | 3404.41 | 3184.39 | 71 | 2.801 | E | 7.2 | 743 | 0.01 | 0.01 | <0.0039 | <0.10J | 0.00 | <0.0050 | <0.004 | <0.004 | 580J | 120J | 14J | 96J | 95 | <10 | 100 | 1.3 | 1,900 | 3,000 | -1 | 7.5 | 2,300 | | |
| 10/7/2009 | 221.30 | 3404.41 | 3181.11 | 70 | 2.847 | E | 7.4 | 713 | 0.01 | 0.01 | <0.0039 | <0.10J | 0.00 | <0.0050 | <0.004 | <0.004 | 590J | 130J | 13J | 100J | 95 | <10 | 100 | 1.3 | 1,900 | 3,000 | 2 | 7.4 | 3,000 | | |
| 1/5/2010 | 221.30 | 3404.41 | 3182.05 | 70 | 2.777 | E | 7.3 | 278 | 0.01 | 0.01 | <0.0039 | <0.10J | 0.00 | <0.0050 | <0.004 | <0.004 | 620J | 130J | 14J | 120J | 100 | <10 | 110 | 1.4 | 1,920 | 2,960 | 4 | 7.5 | 2,300 | | |
| 8/9/2010 | 222.94 | 3404.41 | 3181.47 | 71 | 3.045 | E | 3.9 | 317 | 0.01 | 0.01 | <0.0039 | <0.10J | 0.00 | <0.0050 | 0.00 | <0.0050 | 614 | 133 | 12.7J | 105J | 133 | <10 | 115 | 1.4 | 1,920 | 2,960 | 4 | 7.5 | 2,300 | | |
| 12/1/2010 | 222.65 | 3404.41 | 3181.67 | 71 | 2.795 | E | 7.3 | 141 | 0.01 | 0.01 | <0.0039 | <0.10J | 0.00 | <0.0050 | 0.01 | <0.0050 | 590J | 129 | 14 | 111 | 111 | 90 | <10 | 107 | 1.4 | 1,810 | 2,910 | 3 | 7.6 | 1,000 | |
| 3/22/2011 | 222.65 | 3404.41 | 3181.76 | 71 | 2.945 | E | 7.4 | 141 | 0.01 | 0.01 | <0.0039 | <0.10J | 0.00 | <0.0050 | 0.01 | <0.0050 | 565J | 134 | 13 | 114 | 115 | 97 | <10 | 123 | 1.4 | 1,810 | 2,910 | 1 | 7.5 | 2,300 | |
| 8/22/2011 | 222.55 | 3404.41 | 3181.86 | 71 | 3.218 | E | 7.3 | 480 | 0.01 | 0.01 | <0.0039 | <0.10J | 0.00 | <0.0050 | 0.01 | <0.0050 | 574 | 134 | 13 | 112 | 116 | 98 | <10 | 105 | 1.2 | 1,810 | 3,050 | 2 | 7.6 | 3,100 | |
| 10/16/2011 | 222.81 | 3404.41 | 3181.80 | 71 | 3.106 | E | 7.4 | 79 | 0.01 | 0.01 | <0.0039 | <0.10J | 0.00 | <0.0050 | 0.01 | <0.0050 | 590J | 128 | 16 | 114 | 128 | 92 | <10 | 117 | 1.4 | 2,020 | 3,160 | 10 | 7.5 | 1,500 | |
| 3/22/2012 | 223.22 | 3404.41 | 3180.84 | 71 | 3.205 | E | 7.4 | 131 | 0.02 | 0.01 | <0.0039 | <0.10J | 0.00 | <0.0050 | 0.01 | <0.0050 | 618 | 128 | 16 | 114 | 128 | 92 | <10 | 117 | 1.4 | 2,020 | 3,160 | 10 | 7.6 | 3,300 | |
| 8/12/2012 | 223.90 | 3404.41 | 3180.84 | 71 | 3.205 | E | 7.4 | 131 | 0.02 | 0.01 | <0.0039 | <0.10J | 0.00 | <0.0050 | 0.01 | <0.0050 | 618 | 128 | 16 | 114 | 128 | 92 | <10 | 117 | 1.4 | 2,020 | 3,160 | 10 | 7.6 | 3,300 | |
| 9/12/2012 | 228.90 | 3404.41 | 3185.16 | 71 | 3.299 | 0.7 | 7.5 | 139 | 0.01 | 0.01 | <0.0039 | <0.10J | 0.00 | <0.0050 | 0.01 | <0.0050 | 621 | 122 | 15.3J | 108J | 122 | 90 | <10 | 123 | 1.3 | 1,660 | 3,200 | 1 | 7.4 | 2,700 | |
| 12/7/2012 | 230.30 | 3404.41 | 3183.16 | 71 | 3.845 | E | NA | 375 | 0.01 | 0.01 | <0.0025 | <0.10J | 0.00 | <0.0050 | 0.01 | <0.0050 | 578 | 126 | 12 | 110 | 126 | 90 | <10 | 138 | 1.3 | 2,270 | 3,650 | -4 | 7.6 | 2,000 | |
| 3/27/2013 | 241.25 | 3404.41 | 3182.56 | 71 | 3.175 | E | NA | 375 | 0.01 | 0.01 | <0.0025 | <0.10J | 0.00 | <0.0050 | 0.01 | <0.0050 | 578 | 126 | 12 | 110 | 126 | 90 | <10 | 138 | 1.3 | 2,270 | 3,650 | -4 | 7.6 | 2,000 | |
| 6/1/2013 | 241.85 | 3404.41 | 3182.56 | 71 | 3.175 | E | NA | 375 | 0.01 | 0.01 | <0.0025 | <0.10J | 0.00 | <0.0050 | 0.01 | <0.0050 | 578 | 126 | 12 | 110 | 126 | 90 | <10 | 138 | 1.3 | 2,270 | 3,650 | -4 | 7.6 | 2,000 | |
| 9/2/2013 | 242.70 | 3404.41 | 3181.71 | 71 | 3.135 | E | 7.5 | 175 | 0.01 | 0.01 | <0.0025 | <0.10J | 0.00 | <0.0050 | 0.01 | <0.0050 | 514 | 127 | 13 | 95 | 100 | <10 | 112 | 1.4 | 1,680 | 3,250 | 6 | 7.5 | 2,800 | | |
| 9/2/2013 | 242.70 | 3404.41 | 3181.71 | 71 | 3.135 | E | 7.5 | 175 | 0.01 | 0.01 | <0.0025 | <0.10J | 0.00 | <0.0050 | 0.01 | <0.0050 | 514 | 127 | 13 | 95 | 100 | <10 | 112 | 1.4 | 1,680 | 3,250 | 6 | 7.5 | 2,800 | | |
| 12/7/2013 | 243.33 | 3404.41 | 3181.28 | 70 | 3.211 | 1.1 | 7.4 | 480 | 0.01 | 0.01 | <0.0025 | <0.10J | 0.00 | <0.0050 | 0.01 | <0.0050 | 553 | 119 | 13 | 112 | 112 | 97 | <10 | 137 | 1.6 | 1,870 | 3,280 | -6 | 7.3 | 4,000 | |
| 3/26/2014 | 243.32 | 3404.41 | 3181.09 | 70 | 3.755 | E | 7.4 | 124 | <0.05J | <0.05J | <0.005* | <0.02J | <0.02J | <0.0015 | <0.02J | <0.02J | 530 | 109 | 13 | 109 | 132 | 112 | 97 | <10 | 137 | 1.6 | 1,870 | 3,280 | -6 | 7.3 | 4,000 |
| 6/9/2014 | 244.20 | 3404.41 | 3180.21 | 75 | 3.023 | 3.4 | 7.4 | 71 | 0.01 | 0.01 | <0.01J | <0.10 | <0.01 | <0.01J | 0.03 | <0.01J | 527 | 157 | 25 | 98 | 132 | 109 | <10 | 140 | 1.6 | 2,400 | 2,980 | -16 | 7.8 | 2,900 J | |
| 7/29/2014 | 244.20 | 3404.41 | 3180.21 | 75 | 3.023 | 3.4 | 7.4 | 71 | 0.01 | 0.01 | <0.01J | <0.10 | <0.01 | <0.01J | 0.03 | <0.01J | 527 | 157 | 25 | 98 | 132 | 109 | <10 | 140 | 1.6 | 2,400 | 2,980 | -16 | 7.8 | 2,900 J | |
| 11/7/2014 | 245.60 | 3404.41 | 3180.21 | 68 | 3.195 | 0.6 | 7.4 | 32 | 0.01 | 0.02 | <0.01 | <0.10 | <0.01 | <0.01J | 0.03 | <0.01J | 541 | 137 | 9 | 109 | 107 | 108 | <10 | 130 | 1.8 | 2,041 | 3,350 | -4 | 7.5 | 3,562 | |
| 3/1/2015 | 245.60 | 3404.41 | 3180.21 | 68 | 3.195 | 0.6 | 7.4 | 32 | 0.01 | 0.02 | <0.01 | <0.10 | <0.01 | <0.01J | 0.03 | <0.01J | 541 | 137 | 9 | 109 | 107 | 108 | <10 | 130 | 1.8 | 2,041 | 3,350 | -4 | 7.5 | 3,562 | |
| 5/13/2015 | 244.00 | 3404.41 | NA | 78 | 2.984 | 0.9 | 7.3 | -8 | 0.02 | <0.01 | <0.10 | <0.01 | <0.01 | <0.005 | 0.01 | <0.01 | 561 | 137 | 12 | 113 | 98 | <10 | 145 | 1.8 | 2,167 | 4,830 | -7 | 7.8 | 3,460 | | |
| 5/13/2015 | 244.00 | 3404.41 | NA | 78 | 2.984 | 0.9 | 7.3 | -8 | 0.02 | <0.01 | <0.10 | <0.01 | <0.01 | <0.005 | 0.01 | <0.01 | 561 | 137 | 12 | 113 | 98 | <10 | 145 | 1.8 | 2,167 | 4,830 | -7 | 7.8 | 3,460 | | |
| 7/12/2015 | 244.00 | 3404.41 | 3185.71 | 71 | 2.910 | 1.1 | 7.3 | 336 | 0.01 | 0.02 | <0.10 | <0.01 | <0.01 | <0.005 | 0.01 | <0.01 | 561 | 137 | 12 | 113 | 98 | <10 | 145 | 1.8 | 2,167 | 4,830 | -7 | 7.8 | 3,460 | | |
| 12/2/2015 | 244.70 | 3404.41 | 3185.71 | 71 | 2.910 | 1.1 | 7.3 | 336 | 0.01 | 0.02 | <0.10 | <0.01 | <0.01 | <0.005 | 0.01 | <0.01 | 561 | 137 | 12 | 113 | 98 | <10 | 145 | 1.8 | 2,167 | 4,830 | -7 | 7.8 | 3,460 | | |
| 1/26/2016 | 249.20 | 3404.41 | 3185.21 | 70 | 3.262 | 1.2 | 7.2 | 138 | 0.01 | 0.01 | <0.10 | <0.01 | <0.01 | <0.005 | 0.01 | <0.01 | 540 | 143 | 14 | 114 | 100 | <10 | 135 | 2.1 | 1,963 | 2,900 | 0 | 7.7 | 3,660 | | |
| 3/16/2016 | 249.20 | 3404.41 | 3185.21 | 70 | 3.262 | 1.2 | 7.2 | 138 | 0.01 | 0.01 | <0.10 | <0.01 | <0.01 | <0.005 | 0.01 | <0.01 | 540 | 143 | 14 | 114 | 100 | <10 | 135 | 2.1 | 1,963 | 2,900 | 0 | 7.7 | 3,660 | | |
| 4/26/2016 | 243.80 | 3404.41 | 3185.61 | 71 | 3.652 | 1.8 | 7.4 | 48 | <0.01 | <0.01 | <0.10 | <0.01 | <0.01 | <0.005 | 0.01 | <0.01 | 561 | 148 | 13 | 120 | 90 | <10 | 200 | 5.7 | 2,089 | 4,640 | 0 | 7.7 | 3,590 | | |
| 7/2/2016 | 243.80 | 3404.41 | 3185.61 | 72 | 3.652 | 1.8 | 7.4 | 48 | <0.01 | <0.01 | <0.10 | <0.01 | <0.01 | <0.005 | 0.01 | <0.01 | 561 | 148 | 13 | 120 | 90 | <10 | 200 | 5.7 | 2,089 | 4,640 | 0 | 7.7 | 3,590 | | |
| 11/7/2016 | 246.80 | 3404.41 | 3183.81 | 71 | 3.270 | 2.0 | 7.3 | 43 | <0.01 | <0.01 | <0.10 | <0.01 | <0.01 | <0.005 | 0.01 | <0.01 | 562 | 119 | 11 | 97 | 92 | <10 | 170 | 2.1 | 3,013 | 2,780 | -1 | 7.7 | 8,510 | | |
| 1/6/2017 | 244.71 | 3404.41 | 3185.70 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Table 4 - Groundwater Elevation and Analytical Data
First Quarter 2018 Monitoring Report

| Sample Date | Water Level | | Field Parameters | | | | RCMA Metals | | | | | | | | | | Major Anions | | | | Other Analytes | | | | | | | | | | | |
|-------------|---------------------|---------------------------|--------------------|------------|----------------------|-------------------------|-------------|----------|---------|--------|---------|----------|---------|---------|----------|--------|--------------|-----------|-----------|---------|----------------|-----------|----------|-------------------|---------|---------------------------------|-----------------|---------|---------|---------|-------|---------|
| | Depth to Water (ft) | Casing Elevation (ft msl) | Elevation (ft msl) | Temp. (°F) | Conductivity (µS/cm) | Dissolved Oxygen (mg/L) | pH (au) | ORP (mV) | Arsenic | Barium | Cadmium | Chromium | Lead | Mercury | Selenium | Silver | Calcium | Magnesium | Potassium | Sodium | Bicarbonate | Carbonate | Chloride | Sulfate + Nitrate | Sulfate | Specific Conductance (µmhos/cm) | Ion Balance (%) | pH (au) | TDS | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7/20/2007 | NA | 3373.80 | NA | NA | NA | NA | NA | NA | 0.072J | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | 630J | 250J | 8.9J | 480J | 85 | <10 | 1,700 | 6.0 | 860 | 6,600 | 5 | 7.6 | 5,100 | | |
| 7/20/2007 | NA | 3373.80 | NA | NA | NA | NA | NA | NA | 0.065J | <0.040 | <0.040 | <0.10 | <0.050J | <0.001 | <0.050J | <0.001 | <0.001 | 640J | 300J | 7.8J | 480J | 79 | <10 | 1,800 | 5.6 | 740 | 6,600 | 6 | 7.5 | 5,300 | | |
| 7/20/2007 | NA | 3373.80 | NA | NA | NA | NA | NA | NA | 0.064J | <0.040 | <0.040 | <0.10 | <0.050J | <0.001 | <0.050J | <0.001 | <0.001 | 630J | 290J | 8.1J | 460J | 79 | <10 | 1,800 | 5.6 | 1,000 | 6,700 | 0 | 7.5 | 5,300 | | |
| 6/27/2007 | 187.34 | 3373.80 | 3176.46 | NA | NA | NA | NA | NA | <0.05J | <0.10 | <0.10 | <0.10 | <0.050J | <0.001 | <0.050J | <0.001 | <0.001 | 610J | 310 | <10 | 470J | 93 | <10 | 1,800 | 5.1 | 1,300 | 6,700 | -1 | 7.6 | 4,900 | | |
| 12/11/2007 | 187.21 | 3373.80 | 3175.50 | NA | NA | NA | NA | NA | 0.01 | 0.02 | <0.001 | <0.010 | 0.00 | <0.001 | 0.02 | <0.004 | 0.02 | <0.004 | 260J | 21J | 540J | 540J | 81 | <10 | 1,800 | 5.5 | 1,300 | 7,400 | 1 | 7.3 | 4,500 | |
| 3/20/2008 | 186.95 | 3373.80 | 3176.85 | 73 | 6.657 | E 3.6 | 366 | 0.01 | 0.02 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | 0.01 | <0.001 | 0.01 | 670J | 310 | 10J | 520J | 86 | <10 | 1,800 | 6.2 | 1,100 | 7,100 | 3 | 7.5 | 4,600 | | |
| 7/23/2008 | 189.11 | 3373.80 | 3178.68 | 70 | 6.648 | E 3.6 | 366 | 0.01 | 0.02 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | 0.01 | <0.001 | 0.01 | 700J | 300J | 10J | 500J | 79 | <10 | 1,700 | 5.2 | 1,200 | 6,700 | 4 | 7.3 | 4,600 | | |
| 8/13/2008 | 187.01 | 3373.80 | 3178.79 | 70 | 6.355 | E 7.4 | 26 | 0.001 | 0.01 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | 0.01 | <0.001 | 0.01 | 680J | 300J | <10 | 530 | 80 | <10 | 1,800 | 6.1 | 1,200 | 7,000 | 3 | 7.3 | 4,900 | | |
| 4/7/2009 | 186.73 | 3373.80 | 3177.07 | 70 | 6.421 | E 7.4 | 330 | 0.001 | 0.02 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | 0.01 | <0.001 | 0.01 | 630J | 300J | <10 | 530 | 80 | <10 | 1,800 | 6.1 | 1,200 | 6,600 | 2 | 7.3 | 3,800 | | |
| 7/14/2009 | 186.82 | 3373.80 | 3177.18 | 70 | 6.508 | E 7.0 | 63 | 0.01 | 0.02 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | 0.01 | <0.001 | 0.01 | 670J | 310 | <10 | 530 | 78 | <10 | 1,800 | 6.3 | 1,200 | 6,600 | 1 | 7.5 | 4,400 | | |
| 10/6/2009 | 186.31 | 3373.80 | 3177.49 | 70 | 6.270 | E 7.4 | 12 | 0.01 | 0.02 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | 0.02 | <0.001 | 0.02 | 690J | 340 | <10 | 570 | 83 | <10 | 1,800 | 6.6 | 1,100 | 6,600 | 8 | 7.5 | 4,800 | | |
| 1/20/2010 | 186.35 | 3373.80 | 3177.45 | 70 | 6.148 | E 7.4 | 218 | 0.01 | 0.02 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | 0.01 | <0.001 | 0.01 | 680J | 300 | <10 | 512 | 99 | <10 | 1,650 | 5.2 | 1,040 | 6,610 | 7 | 7.4 | 5,000 | | |
| 12/14/2010 | 186.05 | 3373.80 | 3177.75 | 71 | 6.418 | E 7.0 | 313 | 0.01 | 0.02 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | 0.01 | <0.001 | 0.01 | 684 | 309 | <10 | 545 | 79 | <10 | 1,870 | 5.2 | 1,260 | 6,890 | 0 | 7.4 | 4,900 | | |
| 3/22/2011 | 186.08 | 3373.80 | 3177.74 | 70 | 6.353 | E 7.2 | 49 | 0.01 | 0.02 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | 0.01 | <0.001 | 0.01 | 650 | 290 | <10 | 493 | 84 | <10 | 1,870 | 5.3 | 1,160 | 6,850 | -1 | 7.4 | 5,160 | | |
| 5/23/2011 | 186.09 | 3373.80 | 3177.71 | 70 | 6.367 | E 7.2 | 53 | 0.01 | 0.02 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | 0.01 | <0.001 | 0.01 | 666 | 334 | <10 | 523 | 85 | <10 | 1,870 | 5.8 | 1,140 | 6,830 | 7 | 7.4 | 5,060 | | |
| 8/22/2011 | 186.40 | 3373.80 | 3177.40 | 70 | 6.034 | E 7.2 | 53 | 0.01 | 0.02 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | 0.01 | <0.001 | 0.01 | 667 | 322 | <10 | 512 | 82 | <10 | 1,260 | 7.5 | 1,170 | 6,960 | 20 | 7.5 | 3,800 | | |
| 10/16/2011 | 186.58 | 3373.80 | 3177.22 | 71 | 6.815 | E 7.2 | 14 | 0.01 | 0.02 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | 0.01 | <0.001 | 0.01 | 741 | 322 | <10 | 496 | 90 | <10 | 2,060 | 7.4 | 1,100 | 6,800 | 0 | 7.4 | 5,500 | | |
| 3/23/2012 | 186.73 | 3373.80 | 3177.05 | 70 | 6.942 | E 7.2 | 24 | 0.01 | 0.02 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | 0.01 | <0.001 | 0.01 | 698 | 295 | No data | 492 | 76 | <10 | 1,500 | 6.9 | 1,270 | 7,010 | 7 | 7.5 | 4,700 | | |
| 6/12/2012 | 186.53 | 3373.80 | 3175.27 | 70 | 6.913 | E 7.3 | 35 | 0.01 | 0.02 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | 0.01 | <0.001 | 0.01 | 594 | 279 | <10 | 452 | 76 | <10 | 1,850 | 5.6 | 1,060 | 7,360 | -3 | 7.3 | 9,800 | | |
| 9/11/2012 | 206.20 | 3373.80 | 3167.60 | 70 | 5.608 | 7.7 | 7.2 | 83 | <0.01 | 0.03 | <0.001 | <0.001 | <0.001 | <0.001 | 0.01 | <0.001 | 0.01 | 501 | 243 | <10 | 369 | 87 | <10 | 1,710 | 8.0 | 1,310 | 6,110 | -12 | 7.4 | 2,900 | | |
| 12/13/2012 | 213.28 | 3373.80 | 3160.52 | 70 | 4.783 | 7.6 | 7.4 | 56 | <0.01 | 0.03 | <0.001 | <0.001 | <0.001 | <0.001 | 0.01 | <0.001 | 0.01 | 445 | 208 | <10 | 311 | 95 | <10 | 1,340 | 4.1 | 823 | 6,040 | -4 | 7.6 | 2,500 | | |
| 3/25/2013 | 218.88 | 3373.80 | 3154.90 | 70 | 5.409 | E 7.4 | 80 | <0.01 | 0.03 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | 0.01 | <0.001 | 0.01 | 504 | 219 | <10 | 313 | 93 | <10 | 1,150 | 4.4 | 879 | 5,590 | 4 | 7.5 | 3,800 | | |
| 6/11/2013 | 224.88 | 3373.80 | 3148.82 | 71 | 5.673 | E 7.4 | 80 | <0.01 | 0.03 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | 0.01 | <0.001 | 0.01 | 487 | 237 | <10 | 339 | 95 | <10 | 1,400 | 4.4 | 944 | 6,040 | -2 | 7.5 | 4,600 | | |
| 9/24/2013 | 223.35 | 3373.80 | 3150.45 | 70 | 6.638 | E 7.3 | 22 | <0.02J | 0.02 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | 0.02 | <0.001 | 0.02 | 565 | 283 | <10 | 374 | 87 | <10 | 1,650 | 4 | 1,170 | 7,530 | -4 | 7.4 | 4,700 | | |
| 12/12/2013 | 228.52 | 3373.80 | 3147.48 | 70 | 6.630 | 7.2 | 7.3 | 43 | <0.01 | 0.02 | <0.001 | <0.001 | <0.001 | <0.001 | 0.02 | <0.001 | 0.02 | 594 | 265 | <10 | 352 | 82 | <10 | 1,970 | 5.0 | 884 | 5,800 | -6 | 7.5 | 4,300 | | |
| 2/6/2014 | NA | 3373.80 | NA | 74 | 7.893 | E 7.4 | 112 | <0.05J | 0.03 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | 0.02 | <0.001 | 0.02 | 810 | 273 | <10 | 375 | 81 | <10 | 1,840 | 5.2 | 847 | 7,030 | -1 | 7.4 | 4,400 | | |
| 6/7/2014 | NA | 3373.80 | NA | 74 | 6.983 | E 7.4 | 112 | <0.05J | 0.03 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | 0.01 | 0.034J | 0.01 | 545 | 292 | <10 | 439 | 72 | <10 | 1,760 | 5.4 | 917 | 7,410 | 1 | 7.6 | 7,872 | | |
| 7/20/2014 | NA | 3373.80 | NA | 74 | 6.685 | E 7.4 | 112 | <0.05J | 0.03 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | 0.02 | <0.001 | 0.02 | 725 | 266 | <10 | 482 | 80 | <10 | 1,810 | 4.8 | 832 | 7,190 | 58 | 7.2 | 6,840 | | |
| 11/1/2014 | NA | 3373.80 | NA | 87 | 7.013 | E 7.1 | 7.2 | <0.01 | 0.03 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | 0.02 | <0.001 | 0.02 | 762 | 329 | 9 | 421 | 78 | <10 | 1,780 | 5.0 | 863 | 7,390 | 9 | 7.5 | 4,716 | | |
| 2/16/2015 | NA | 3373.80 | NA | 69 | 6.661 | E 7.4 | 30 | <0.01 | 0.02 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | 0.03 | <0.001 | 0.03 | 721 | 338 | 9 | 403 | 64 | <10 | 1,499 | 5.2 | 850 | 8,670 | 1 | 7.7 | 7,890 | | |
| 2/16/2015 | NA | 3373.80 | NA | NS | NS | NS | NS | NS | NS | NS | NS | NS | NS | NS | NS | NS | NS | NS | NS | NS | NS | NS | NS | NS | NS | NS | NS | NS | NS | NS | NS | |
| 2/16/2015 | 246.25 | 3373.80 | 3127.55 | NA | 3373.80 | 3127.55 | NA | 3373.80 | 3127.55 | NA | 3373.80 | 3127.55 | NA | 3373.80 | 3127.55 | NA | 3373.80 | 3127.55 | NA | 3373.80 | 3127.55 | NA | 3373.80 | 3127.55 | NA | 3373.80 | 3127.55 | NA | 3373.80 | 3127.55 | NA | 3373.80 |
| 8/11/2015 | 235.90 | 3373.80 | 3138.30 | 73 | 5.528 | 5.7 | 7.0 | 224 | 0.01 | 0.02 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | 745 | 335 | 15 | 453 | 90 | <10 | 3,500 | 4.9 | 797 | 6,530 | 3 | 7.2 | 6,800 | | |
| 12/1/2015 | 234.40 | 3373.80 | 3138.49 | 69 | 6.603 | 5.6 | 7.2 | 147 | 0.01 | 0.02 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | <0.001 | 745 | 335 | 15 | 453 | 90 | <10 | 3,500 | 4.9 | 797 | 6,530 | 3 | 7.2 | 6,800 | | |
| 3/15/2016 | 231.80 | 3373.80 | 3142.00 | 70 | 7.279 | 5.6 | 7.2 | 94 | <0.01 | 0.07 | | | | | | | | | | | | | | | | | | | | | | |

C-108 - Item XI

Groundwater Basins - Water Column / Depth to Groundwater



The subject well is located within the Capitan Basin.

Fresh water in the area is generally available from the Rustler and overlying, localized occurrences of Dewey Lake or Quaternary deposits. State Engineer's records show water wells in 21S-29E with an average depth to water at 241 feet.

There are 6 water or monitor wells located within one mile of the proposed SWD. Intrepid's monitoring and analyses reports for 2 of the wells is included.

C-108 Item XII

Geologic Affirmation

We have examined available geologic and engineering data and have found no evidence of open faults or other hydrologic connection between the disposal interval and any underground sources of drinking water.



Ben Stone, Partner
SOS Consulting, LLC

Project: Intrepid Potash-New Mexico, LLC
Intrepid SWD No.2
Reviewed 10/02/2018

C-108 ITEM XIII – PROOF OF NOTIFICATION

IDENTIFICATION AND NOTIFICATION OF INTERESTED PARTIES

Exhibits for Section

Affected Parties Map

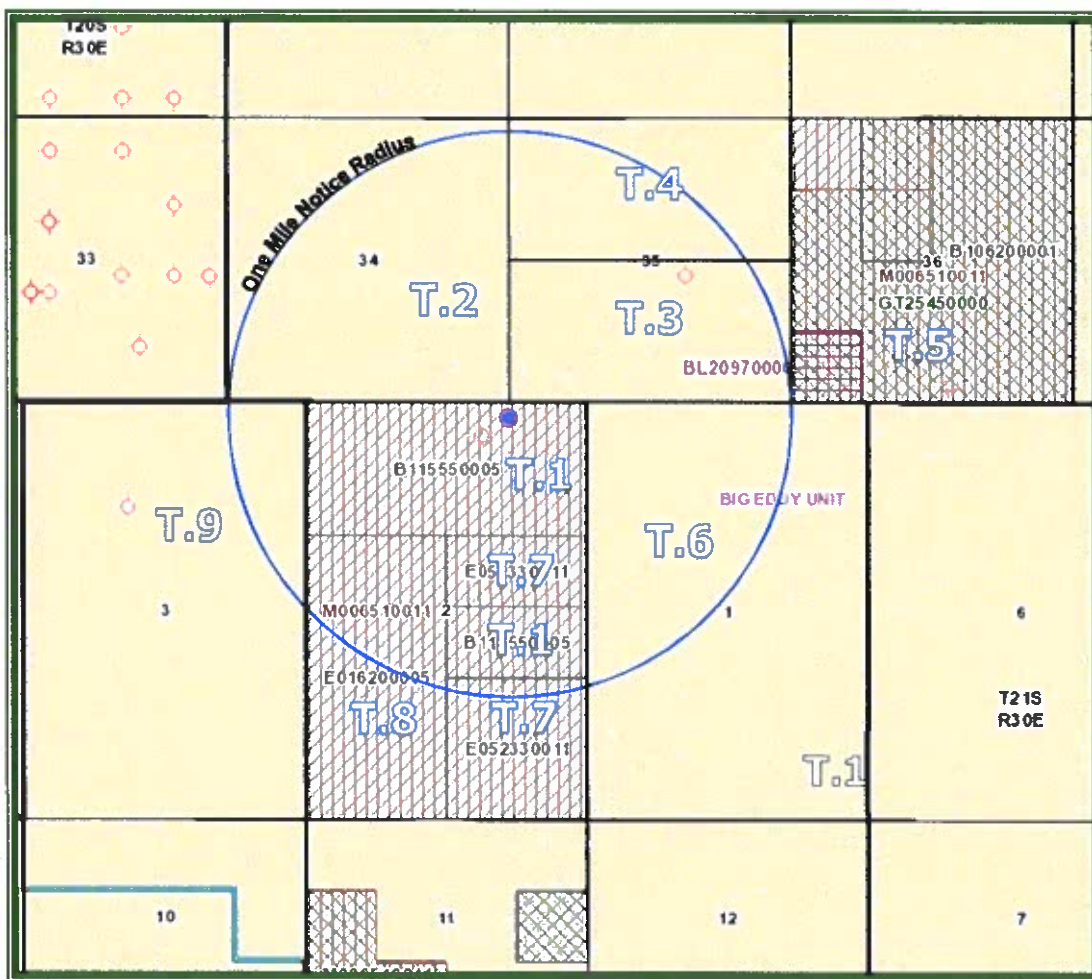
List of Interested Parties

Notification Letter to Interested Parties

Proof of Certified Mailing

Published Legal Notice

(Attachment to NMOCD Form C-108, Application for Authority to Inject.)



LEGEND

T.1 – SLO-B1-1155-0005; Oxy USA WTP, LP

T.2 – BLM NMLC-0066156; CTV OG NM, others

T.3 – BLM NMNM-0006789; CTV OG NM, others

T.4 – BLM NMLC-0069227; CTV OG NM, others

T.5 – SLO-B1-0062-0001; Oxy USA WTP, LP

T.6 – BLM NMNM-0006745; Oxy USA WTP, LP

T.7 – SLO-E0-5233-011; Oxy USA WTP, LP

T.8 – BLM NMNM-0542015; Chevron USA

T.9 – BLM NMNM-0003926; CTV OG NM, others

C-108 ITEM XIII – PROOF OF NOTIFICATION AFFECTED PARTIES LIST

SOS Consulting is providing electronic delivery of C-108 applications.
ALL APPLICABLE AFFECTED PARTIES ARE PROVIDED A LINK IN THE NOTICE LETTER
TO A SECURE SOS/ CITRIX SHAREFILE® SITE TO VIEW AND DOWNLOAD
A FULL COPY OF THE SUBJECT C-108 APPLICATION IN PDF FORMAT.

SURFACE OWNER

INTREPID POTASH – NEW MEXICO, LLC (Applicant)
707 17TH St., Ste.4200
Denver, CO 80202

MINERALS LESSEES (All Notified via USPS Certified Mail)

**State Leases B1-1155-0005; B1-0062-0001 (T.1, T.5 and T.7) and
BLM Lease NMNM-0006745 (T.6 on plat.)**

Lessee

- 1 OXY USA WTP, LP
P.O. Box 4294
Houston, TX 77210
Certified: 7018 0360 0001 8569 5111

BLM Leases NMLC-0066156; NMNM-006789; NMLC-0069227 (T.2, T.3 and T.4 on plat.)

Lessees

- 2 LMBI OG NM, LLC
CTV OG NM, LLC
SRBI OG NM, LLC
THRU LINE OG NM, LLC
KEYSTONE OG NM, LLC
201 Main Street, Ste.2700
Fort Worth, TX 76102
Certified: 7018 0360 0001 8569 5128

BLM Lease NMNM-110831; (T.4 on plat.)

Lessee

- 3 CHEVRON USA, INC.
6301 Deauville Blvd.
Midland, TX 79706
Certified: 7018 0360 0001 8569 5135

OFFSET MINERALS OWNER (Notified via USPS Certified Mail)

- 4 U.S. DEPARTMENT OF INTERIOR
Bureau of Land Management
Oil & Gas Division
620 E. Greene St.
Carlsbad, NM 88220
Certified: 7018 0360 0001 8569 5142

- 5 STATE OF NEW MEXICO
Oil, Gas and Minerals Division
310 Old Santa Fe Trail
Santa Fe, NM 87504
Certified: 7018 0360 0001 8569 5159

C-108 ITEM XIII – PROOF OF NOTIFICATION

AFFECTED PARTIES LIST (cont.)

REGULATORY

NEW MEXICO OIL CONSERVATION DIVISION (FedEx'd original and copy)
1220 S. St. Francis Dr.
Santa Fe, NM 87505

NEW MEXICO OIL CONSERVATION DIVISION (FedEx'd copy)
811 S. First Street
Artesia, NM 88210

October 18, 2018

NOTIFICATION TO INTERESTED PARTIES
via U.S. Certified Mail – Return Receipt Requested

To Whom It May Concern:

You recently received notice for this application. Due to a survey error, the well spot was incorrectly reported – it failed to account for the distance across the NENE qtr/qtr. The correction moves the well spot to the west by that distance. This adjustment does not affect any of the project details or affected parties. New legal notice publication is also being made. Thank you for your understanding.

Intrepid Potash – New Mexico, LLC, Denver, Colorado, has made application to the New Mexico Oil Conservation Division to drill and complete for salt water disposal the Intrepid SWD Well No.2. The proposed commercial operation will be for produced water disposal from area operators. As indicated in the notice below, the well is located in Section 2, Township 21 South, Range 31 East in Eddy County, New Mexico.

The published notice states that the maximum interval will be from 13,530 feet to 15,475 feet.

Following is the notice published in the Artesia Daily Press, New Mexico on or about October 19, 2018.

LEGAL NOTICE

Intrepid Potash - New Mexico, LLC, 1001 17TH St., Ste.1050, Denver, CO 80202, is filing Form C-108 (Application for Authority to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for a salt water disposal well. The proposed well, the Intrepid SWD No.2, will be located 505.6' FNL and 1474.7' FEL, Section 2, Township 21 South, Range 29 East, Eddy County, New Mexico; approximately 17.5 miles east/northeast of Carlsbad, NM.

Produced water from area production will be commercially disposed into the Devonian, Silurian and Montoya formations at a maximum interval depth of 13,530 feet to 15,475 feet at a maximum surface pressure of 2706 psi and a rate limited only by such pressure. (Note: If the interval is contracted within the maximum depths, surface pressure will be adjusted to the standard gradient of 0.2 psi/ foot X the uppermost interval depth.)

Interested parties wishing to object to the proposed application must file with the New Mexico Oil Conservation Division, 1220 St. Francis Dr., Santa Fe, NM 87505, (505)476-3460 within 15 days of the date of this notice. Additional information may be obtained from the applicant's agent, SOS Consulting, LLC, (903)488-9850 or, email info@sosconsulting.us.

You have been identified as a party who may be interested as an offset lessee or operator.

You are entitled to a full copy of the application. A full copy in PDF format is posted on the SOS Consulting **ShareFile** site and is available for immediate download.

Use the URL link: <https://sosconsulting.sharefile.com/d-s27e92ad56d34f0a8>

(Please Note: The ShareFile service is powered by Citrix Systems and is completely secure.*)

The link to this file will be active for 30 days from the date of this letter. Your company can access and download the file a maximum of five (5) times. (One copy may be downloaded and shared as needed amongst your company.)

Alternatively, you may call SOS Consulting, LLC at 903-488-9850, or email info@sosconsulting.us, and the same PDF file copy will be expedited to you via email.

Please use a subject like, **"Intrepid SWD Oct2018 PDF Copy Request"**.

Thank you for your attention in this matter.

Best regards,



Ben Stone, SOS Consulting, LLC
Agent for Intrepid Potash NM, LLC

Cc: Application File

SOS Consulting is committed to providing superior quality work using technology to assist clients and affected parties in obtaining the documentation required. SOS will continue to utilize methods which are less energy and resource intensive including, the reduction of paper copies.

We hope you'll partner with us and appreciate these efforts.

* You will be asked for your email, name and company.

This will not be used by anyone except keeping track of the file downloads.

You will not be solicited by SOS or anyone else. Data is stored on Citrix Systems servers only.



Proof of Notice (Certified Mail Receipts)

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee
 \$

Extra Services & Fees (check box, add fees as appropriate)

| | |
|--|----|
| <input type="checkbox"/> Return Receipt (hardcopy) | \$ |
| <input type="checkbox"/> Return Receipt (electronic) | \$ |
| <input type="checkbox"/> Certified Mail Restricted Delivery | \$ |
| <input type="checkbox"/> Adult Signature Required | \$ |
| <input type="checkbox"/> Adult Signature Restricted Delivery | \$ |

Postage
 \$

Total Postage and Fees
 \$

Sent To
 Street and
 City, State

PS Form

OXY USA WTP, LP
P.O. Box 4294
Houston, TX 77210

Domestic Mail Only

Postmark Here
 OCT 18 2013

Domestic Mail Only

For delivery information, visit our website at www.usps.com®

OFFICIAL USE

Certified Mail Fee
\$

Extra Services & Fees (check box, add fee as appropriate)

| | |
|--|----|
| <input type="checkbox"/> Return Receipt (hardcopy) | \$ |
| <input type="checkbox"/> Return Receipt (electronic) | \$ |
| <input type="checkbox"/> Certified Mail Restricted Delivery | \$ |
| <input type="checkbox"/> Adult Signature Required | \$ |
| <input type="checkbox"/> Adult Signature Restricted Delivery | \$ |

Postmark Here
OCT 18 2018

Postage
\$

Total Postage and Fees
\$

Sent To
Street and
City, State

Bureau of Land Management
Carlsbad Field Office - O&G Division
620 E. Greene St.
Carlsbad, NM 88220

PS Form 3849, June 2010

Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee \$

Extra Services & Fees (check box, add fee as appropriate)

| | |
|--|----|
| <input type="checkbox"/> Return Receipt (hardcopy) | \$ |
| <input type="checkbox"/> Return Receipt (electronic) | \$ |
| <input type="checkbox"/> Certified Mail Restricted Delivery | \$ |
| <input type="checkbox"/> Adult Signature Required | \$ |
| <input type="checkbox"/> Adult Signature Restricted Delivery | \$ |

Postage \$

Total Postage and Fees \$ 6.70

Sent To _____

Street and A/c _____

City, State, Z _____

PS Form 38

Postmark Here
OCT 18 2018

C-108 - Item XIV

Proof of Notice – Legal Notice Newspaper of General Circulation

Legal Notice

LEGAL NOTICE
(Republished for Correction)

Due to a survey error, the well spot was incorrectly reported as 155' FEL. The survey failed to account for the distance across the first qtr/qtr (NENE) – this makes the true spot 1474.7' FEL as follows:

Intrepid Potash - New Mexico, LLC, 1001 17TH St., Ste.1050, Denver, CO 80202, is filing Form C-108 (Application for Authority to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for a salt water disposal well. The proposed well, the Intrepid SWD No.2, will be located 505.6' FNL and 1474.7' FEL, Section 2, Township 21 South, Range 29 East, Eddy County, New Mexico; approximately 17.5 miles east/northeast of Carlsbad, NM.

Produced water from area production will be commercially disposed into the Devonian, Silurian and Montoya formations at a maximum interval depth of 13,530 feet to 15,475 feet at a maximum surface pressure of 2706 psi and a rate limited only by such pressure. (Note: If the interval is contracted within the maximum depths, surface pressure will be adjusted to the standard gradient of 0.2 psi/ foot X the uppermost interval depth.)

Interested parties wishing to object to the proposed application must file with the New Mexico Oil Conservation Division, 1220 St. Francis Dr., Santa Fe, NM 87505, (505)476-3460 within 15 days of the date of this notice. Additional information may be obtained from the applicant's agent, SOS Consulting, LLC, (903)488-9850 or, email info@sosconsulting.us.

Published in the Artesia Daily Press, Artesia, N.M., Oct. 21, 2018 Legal No. 24876.

**The above is the "Proof Copy" sent from the Artesia Daily Press.
The affidavit of publication will be forwarded as soon as it is received.**

McMillan, Michael, EMNRD

From: McMillan, Michael, EMNRD
Sent: Tuesday, October 23, 2018 1:18 PM
To: Ben Stone
Subject: Intrepid Potash New Mexico, LLC Intrepid SWD #2

Ben:

Your administrative SWD application for the Intrepid Potash New Mexico, LLC Intrepid SWD #2 has been suspended. Your application lacks an affidavit of publication.

In the future, if you know your application is incomplete, please wait to send the OCD an application until all of the required information is in the application.

Mike

Michael McMillan
1220 South St. Francis
Santa Fe, New Mexico
505-476-3448
Michael.mcmillan@state.nm.us

McMillan, Michael, EMNRD

From: ben@sosconsulting.us
Sent: Tuesday, October 23, 2018 2:07 PM
To: McMillan, Michael, EMNRD
Subject: [EXT] RE: Intrepid Potash New Mexico, LLC Intrepid SWD #2
Attachments: Intrepid#2_AFFIDAVIT.pdf

Here you go Mike – I'll start waiting for these in the future before I submit the app.

Thanks,
Ben

From: McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>
Sent: Tuesday, October 23, 2018 2:18 PM
To: Ben Stone <ben@sosconsulting.us>
Subject: Intrepid Potash New Mexico, LLC Intrepid SWD #2

Ben:
Your administrative SWD application for the Intrepid Potash New Mexico, LLC Intrepid SWD #2 has been suspended.
Your application lacks an affidavit of publication.

In the future, if you know your application is incomplete, please wait to send the OCD an application until all of the required information is in the application.

Mike

Michael McMillan
1220 South St. Francis
Santa Fe, New Mexico
505-476-3448
Michael.mcmillan@state.nm.us

Affidavit of Publication

No. 24876

State of New Mexico

County of Eddy:

Danny Scott

being duly sworn says that he is the **Publisher**
of the Artesia Daily Press, a daily newspaper of General
circulation, published in English at Artesia, said county
and state, and that the hereto attached

Legal Ad

was published in a regular and entire issue of the said
Artesia Daily Press, a daily newspaper duly qualified
for that purpose within the meaning of Chapter 167 of
the 1937 Session Laws of the state of New Mexico for
1 Consecutive weeks/day on the same

day as follows:

First Publication October 21, 2018

Second Publication _____

Third Publication _____

Fourth Publication _____

Fifth Publication _____

Sixth Publication _____

Seventh Publication _____

Subscribed and sworn before me this

22nd day of October 2018



OFFICIAL SEAL
Latisha Romine
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 5/12/2019

Latisha Romine

Latisha Romine

Notary Public, Eddy County, New Mexico

Copy of Publication:

Legal Notice

LEGAL NOTICE

(Republished for Correction)

Due to a survey error, the well spot was incorrectly reported as 155' FEL. The survey failed to account for the distance across the first qtr/qtr (NENE) - this makes the true spot 1474.7' FEL as follows:

Intrepid Potash - New Mexico, LLC, 1001 17TH St., Ste. 1050, Denver, CO 80202, is filing Form C-108 (Application for Authority to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for a salt water disposal well. The proposed well, the Intrepid SWD No.2, will be located 505.6' FNL and 1474.7' FEL, Section 2, Township 21 South, Range 29 East, Eddy County, New Mexico; approximately 17.5 miles east/northeast of Carlsbad, NM.

Produced water from area production will be commercially disposed into the Devonian, Silurian and Montoya formations at a maximum interval depth of 13,530 feet to 15,475 feet at a maximum surface pressure of 2706 psi and a rate limited only by such pressure. (Note: If the interval is contracted within the maximum depths, surface pressure will be adjusted to the standard gradient of 0.2 psi/ foot X the uppermost interval depth.)

Interested parties wishing to object to the proposed application must file with the New Mexico Oil Conservation Division, 1220 St. Francis Dr., Santa Fe, NM 87505, (505)476-3460 within 15 days of the date of this notice. Additional information may be obtained from the applicant's agent, SOS Consulting, LLC, (903)488-9850 or, email info@sosconsulting.us.

Published in the Artesia Daily Press, Artesia, N.M., Oct. 21, 2018 Legal No. 24876.