



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

August 18, 2004
New Mexico State Land Office
Oil, Gas and Minerals Division
310 Old Santa Fe Trail
P.O. Box 1148
Santa Fe, NM 87504-1148
Attn: Joe Mraz or To Whom It May Concern

BEFORE EXAMINER STOGNER
OIL CONSERVATION DIVISION
Mesarc EXHIBIT NO. *M3*
CASE NO. *13368, 13367, 13372*

RECEIVED
AUG 23 2004
OCD-AR/ESIA

RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR: Bass Enterprises Production Company
LEASE NAME: James Ranch Unit # 93
LOCATION: SEC. 7 TOWNSHIP 23 SOUTH, RANGE 31 EAST,
660' FNL & 660' FEL
EDDY COUNTY, NM, NMPM

PROPOSED DEPTH: 14,300'
Dear Mr. Mraz or To Whom It May Concern,

The application for permit to drill identified above has been filed with this office of the New Mexico Oil Conservation Division. Pursuit to the provisions of Oil Conservation Division Order R-111-P, please advise this office whether or not this application 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 this order.
Thank you for your assistance.

Sincerely,

Bryan G. Arrant
PES, District II Artesia NMOCD

In LMR: Yes No
In Buffer Zone: Yes No

Handwritten in circle: GWA M3

*Handwritten: JRM
7Am
8-19-04*

Comments:

Handwritten signature: Bryan G. Arrant

Signature: _____
Date: *8/19/04*