SOUTHWEST POTASH CORPORATION

Carlsbad, New Mexico

State of New Mexico Oil Conservation Commission Santa Fe, New Mexico

Gentlemen:

Case No. 278 - Order No. R-111

As provided under Section 2 of Order No. R-lll, the Southwest Potash Corporation hereby makes application for an extension of Area "A" to include the following described lands in which potash mining operations are now being conducted:

T. 19 S., R. 30 E. NMPM
Sec. 3 - SW/4
Sec. 4 - SE/4
Sec. 9 - N/2 NE/4
Sec. 10 - NE/4, N/2 NW/4, SE/4 NW/4, E/2 SW/4, SE/4
Sec. 15 - NE/4, E/2 NW/4, SW/4 NW/4

The drilling of oil or gas wells in the above described area at this time would seriously hamper our potash mining operations and it is requested that a hearing on this matter be held as early as possible, with advice to us of the date of such hearing in order that we may be represented.

Very truly yours,

SOUTHWEST POTASH CORPORATION

F. H. Stewart Vice President and General Manager

FHS:p