From: Mariano, Michael

To: "Randall Hicks"; Martin, Ed

Cc: Spencer Cox; mbarrett@limerockresources.com; Bratcher, Mike, EMNRD; "David Hamilton"; Elliott, April L.;

Smith, Jason; Fresquez, Monica

Subject: RE: Special Use Authorization Letter for Exploration (SUA-367) for integrity boring and Caliche exploration

Date: Monday, July 28, 2014 2:34:38 PM

Attachments: HA-0258-SUA-367 Map-Imagery 07282014.pdf

<u>SUA-367 AuthorLtr 07282014.pdf</u> <u>SUA-367 ROE Letter 07282014.pdf</u>

Spencer & Randall,

Here is the Special Use Authorization Letter for Exploration (SUA-367) on the NE4SE4 of Section 36, T17S, R27E in Eddy County. The authorization covers exploration for Caliche as well as the integrity borings requested for proposed Business Lease (BL-2133).

Before commencing with any plugging of the boreholes, please confirm proposed methodology with Ed Martin here at SLO to ensure he is in agreement with the plugging.

Please contact the Grazing Lessee "Bogle LTD CO, LLC – 575-734-5442" (GR-0124) as needed to provide notice of this authorization. A Right of Entry Letter is being sent in the mail at this time, but may not get there until after you begin, so please be sure to notify if you haven't already.

Thanks,

Michael Mariano, Minerals Manager NM State Land Office 310 Old Santa Fe Trail P.O. Box 1148 Santa Fe, NM 87504-1148 Voice (505) 827-5750 / Fax (505) 827-4739 mmariano@slo.state.nm.us www.nmstatelands.org

From: Randall Hicks [mailto:r@rthicksconsult.com]

Sent: Monday, July 28, 2014 11:52 AM **To:** Martin, Ed; Mariano, Michael

Cc: Spencer Cox; mbarrett@limerockresources.com; Jerry Sherrell; 'Erica Hart'; 'Bratcher, Mike, EMNRD';

'David Hamilton'

Subject: Lime Rock Special Use Permit - Drilling Tomorrow

ΑII

The State Land Office is shipping the Special Use permit to us via email and to Lime Rock Houston via regular mail today. We are good to go for the drilling. The permit will have stipulations regarding the plugging of the boreholes. Our plan is this, pending SLO approval from Ed Martin.

- 1. The borings will be outside of the footprint of the pit. Thus, there will be no potential of conduits caused by the borings beneath the lined pit.
- 2. The plugging protocol is as follows (for a 40-foot boring)

- a. 5-feet of bentonite (chips or pellets) on the bottom of the boring
- b. 15± feet of cuttings
- c. 5-feet of bentonite
- d. 10 feet of cuttings
- e. 5-feet surface cement grout with caliche cuttings

I will be at the site right after noon. Thanks for all the various efforts.

Randall Hicks RT Hicks Consultants Office: 505-266-5004 Cell: 505-238-9515

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