



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

April 30, 2004

To: Carlsbad Irrigation District
201 South Canal St.
Carlsbad, NM
Attn: Mr. Tom Davis

RE:

- The Carlsbad Irrigation District boundaries
- Yates Petroleum Application to drill the Lake Shore XH Federal Com. # 2 well, located in Section 11 of Township 21 South, Range 26 East, 2100' FNL & 2271' FWL, EDDY County,, New Mexico **30-015-33395**

Dear Mr. Davis,

Thank you for sending the ownership map of the Carlsbad Irrigation District ownership boundaries.

This will assist me in assuring that oil and gas activities are complied with whenever an application to drill is permitted in and around these areas. I need to know if you have is any written plans, management studies, policies, madates etc. that we can have on file? This will assist the OCD in many ways including our new pit rule which in part, precludes operators from constructing a below grade pit in environmentally sensitive areas.

As for the Lake Shore XH Federal Com. # 2 well, can we get a 'sign off' or an approval from you or a member with the CID regarding its location to this area? A front page copy is attached.

Again, Thank you for your time and assistance.

Bryan G. Arrant
PES

Encl.