

API# 30-015-41028

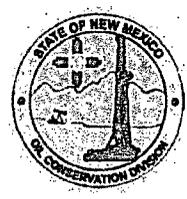
State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John Bemis
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



January 30, 2013

BUREAU OF LAND MANAGEMENT
ATT: James S. Rutley
620 E Greene Street
Carlsbad, NM 88220

STATE LAND OFFICE
ATT: Dan Fuqua
PO BOX 1148
Santa Fe, NM 87505

RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR: **COG Production, LLC**

LEASE NAME: **Shoeless Joe 32 State Com #3H**

PROPOSED LOCATION: **SHL Lot L Sec 32 T19S R30E; 1650' FSL 190' FWL
BHL Lot I Sec 32 T19S R30E; 2150' FSL 330' FEL**

PROPOSED DEPTH: **TVD 3,500' MD 13,000'**

Gentleman:

The application for permit to drill identified above has been filed with this office of the New Mexico Oil Conservation Division. Pursuant to the provisions of Oil Conservation Division Order R-111-P, please advise this office whether the location is within an established Life-of-Mine-Reserve are filed with and approved by your office. If not, please advise whether it is within the buffer zone established by the order.

Thank you for your assistance. Please Return as soon as possible.

Very truly yours,

OIL CONSERVATION DIVISION

Randy Dade
Randy Dade
Supervisor, District II

2013 FEB 1 AM 7 53

RESPONSE:

The above referenced location is in LMR (2011 year) -----Yes _____ No X

The above referenced location is within the Buffer Zone -----Yes _____ No X

Signed *Lanny J Rabal*

Printed Signature Lanny J Rabal

Representing State Land Office