

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
GOVERNOROIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICEJENNIFER SALISBURY
CABINET SECRETARYFaxed DATE 9/23/96Bureau of Land Management
620 E. Greene St.
Carlsbad, N.M. 88220-6292State Land Office
P. O. Box 1148
Santa Fe, N.M. 87405Attn: Craig CranstonAttn: Joe Mraz/Larry Kehoe

Re: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

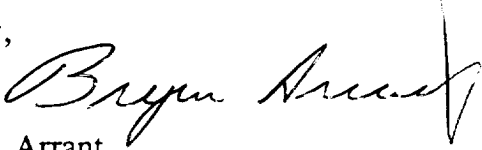
OPERATOR Louis Dreyfus Natl. GasLEASE NAME Pinnacle State #15LOCATION: SEC. 36 TWP. 22 RGE. 28
FOOTAGE 990 N / 990 EPROPOSED DEPTH 6475

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 or not this location 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 the order.

Thank you for your assistance.

Sincerely,


Bryan G. Arrant
District Geologist, District IIIN LMR YES _____
IN BUFFER ZONE YES _____NO XX Per/Craig over phone call
NO XX 9/25/96

COMMENTS:

Larry Kehoe
Response is in The Mail BGA

SIGNATURE _____

DATE _____