

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

30-015-35093

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

August 9, 2006 New Mexico State Land Office 310 Old Santa Fe Trail Santa Fe, NM 87504-1148

Attn: Mr. Joe Mraz or To Whom It May Concern

RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR:

Yates Petroleum Corporation

LEASE NAME:

Jacque 'AQJ' State # 11

LOCATION:

SEC. 34, TOWNSHIP 21 SOUTH, RANGE 31 EAST

1650' FNL & 1650' FWL

EDDY COUNTY, NM, NMPM

PROPOSED DEPTH: 8250'

Dear Joe or To Whom It May Concern,

The application for permit to drill identified above has been filed with this office of the New Mexico Oil Conservation Division. Pursuit to the provisions of Oil Conservation Division Order R-111-P, please advise this office whether or not this application 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 this order. Thank you for your assistance.

Sincerely,

Bryan G. Arrant PES, District II Artesia NMOCD			72
In LMR In Buffer Zone	Yes	No No	8-10-06 7:30an
Comments:			
Signature:	m Bal		Date: 8/10/0C



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August 9, 2006
Bureau of Land Management
620 East Green St.
Carlsbad, NM 88220
Attn: Mr. Craig Cranston or To Whom It May Concern

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Bryan G. Arrant
PES, District II Artesia NMOCD

In LMR Yes____ No___
In Buffer Zone Yes___ No___

Comments:

Signature: _____ Date:_____