State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

OCD - HOBBS

06/20/2016

David Martin Cabinet Secretary

RECEIVED

David R. Catanach, Division Director Oil Conservation Division



Tony Delfin

Deputy Cabinet Secretary

June 8, 2016

BUREAU OF LAND MANAGEMENT ATT: James S. Rutley

620 E Greene Street

Carlsbad, NM 88220

STATE LAND OFFICE ATT: Stephen Wust PO BOX 1148 Santa Fe, NM 87505

RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR: CIMAREX ENERGY CO

LEASE NAME: Warbler State Com # 4H

PROPOSED LOCATION: U/L P Sec 16 T21S R33E 120 FSL 530 FEL

PROPOSED DEPTH: 21076' MD 11042 TVD

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 that 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

Paul Kautz

Hobbs District Geologist, District I

RESONSE:

The above referenced location is in L year) within the Buffer Zone