State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham

Governor

Sarah Cottrell Propst Cabinet Secretary Designate Adrienne Sandoval, Division Director Oil Conservation Division



Todd E. Leahy, JD, PhD Deputy Secretary

July 26, 2019

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: ADVANCE ENERGY PARTNERS HAT MESA, LLC

LEASE NAME: WOOL HEAD 20 STATE COM #605H

PROPOSED LOCATION: U/L O Sec 20 T21S R33E 150 FSL 2046 FEL

Lat. 32.457537 Long. -103.5

Long. -103.592532 NAD83

PROPOSED DEPTH: 19270' MD

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

Hobbs District Geologist, District I

RESONSE:

Printed Signature 5t An Wust

Representing ______

OCD – HOBBS 07/26/2019 RECEIVED