BLM approves federal wells in potash area so we do not have to worry about this.

## STATE & FEE LEASES

Post to map and if within the potash area outlined on map or within 1 mile of that area do the following:

- Make certain operator has filed a plat of the area showing the potash lessees for the area where the well is located as well as the 1-mile radius referred to.
- 2) Make certain operator has notified all of the potash lessees by certified mail of the APD. They must send copy of delivery notice to us since 20-day waiting period starts from delivery date.
- 3) Send letter to BLM and SLO advising them of this APD and request they advise if this location is within LMR or buffer zone.

BUFFER ZONE -- shallow well is 1/4 mile of LMR -- deep well is 1/2 mile of LMR

- 4) If application is within LMR or buffer zone you must <u>DENY</u> it under R-III-P unless, there is a mutual agreement of lessor and lessees of oil & gas and potash interests. Copy of this agreement must be submitted with APD.
- 5) If application is outside LMR or buffer zone and no objection is received within 20 days from date of receipt by potash lessees of certified notice, the APD may be approved.

CHECK LIST FOR PROCESSING APD IN POTASH AREA		
OPERATOR: Fasken O:18 Ranch L+d		
LEASE & WELL Welail 16 State Com #3H		
LOCATION M-16-20s-34e	PROPOSED DEPTH <u>5320'</u>	
DATE APD RECEIVED 11/21/1 WAS PLAT OF AREA ATTACHED		
WERE ALL POTASH LESSEES NOTIFIED BY CERTIFIED MAIL?		
20-DAY WAITING PERIOD BEGINS EN	DS	
WERE WAIVERS RECEIVED?		
DATE SLO NOTIFIED 11/28/11 DATE REPLY RECEIV	VED 11/30/1	
DATE BLM NOTIFIED 1 /24 /1 DATE REPLY RECEIVED /2/6/11		
IS LOCATION INSIDE LMR OR BUFFER ZONE? YES	NO	
IF LOCATION INSIDE LMR OR BUFFER ZONE WAS LESSEE/LESSOR AGREEMENT FURNISHED		
DATE APD APPROVED 12/8/11 DATE APD DENIED		
30-025-40361		



## Susana Martinez

Governor

John H. Bemis Cabinet Secretary-Designate

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey Division Director Oil Conservation Division



**Bureau of Land Management** 

The above reference location is within the Buffer Zone

APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

ATT: Craig Cranston P O Box 1778 Carlsbad, NM 88221

RE:

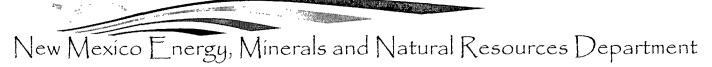
Signed

Printed Signature

Representing

State Land Office ATT: Joe Mraz P O Box 1148 Santa Fe, NM 87504

OPERATOR: Fasken Oil and Ranch LTD
LEASE NAME: Quail 16 State Com #3H
PROPOSED LOCATION: <u>M-16-20s-34e, 660/S &amp; 330/W</u>
PROPOSED DEPTH: 15,320 MD; 10,950 TVD; BHL P-16-20s-34e
Gentlemen:
The application for permit to drill indentified 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 an 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
EL Gonzales Acting Supervisor, District I
Response:
The above reference location is in the LMR 2011/year)Yes No



## Susana Martinez

Governor

John H. Bemis Cabinet Secretary-Designate

Brett F. Woods, Ph.D. **Deputy Cabinet Secretary**  Jami Bailey Division Director Oil Conservation Division



Bureau of Land Management

ATT: Craig Cranston P O Box 1778 Carlsbad, NM 88221

State Land Office ATT: Joe Mraz

P O Box 1148

Santa Fe, NM 87504

HOBBS OCD

RE:

APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

NOV 3 0 2011

OPERATOR: Fasken Oil and Ranch LTD

RECEIVED

LEASE NAME: Quail 16 State Com #3H

PROPOSED LOCATION: M-16-20s-34e, 660/S & 330/W\_

PROPOSED DEPTH: 15,320 MD; 10,950 TVD; BHL P-16-20s-34e

## Gentlemen:

The application for permit to drill indentified 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 an 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

EL Gonzales Acting Supervisor, District I

Response:	11-28-14
The above reference location is in the LMR (2011/year)Yes No	11-28-11 Jan
The above reference location is within the Buffer Zone	
Signed Date 1/28///	
Printed Signature Lanny J. Rybal	
Representing 5 tate Lund OFFice	

