



New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



January 8, 2014

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: **COG Operating, LLC**

LEASE NAME: **Corazon State Unit # 12H**

PROPOSED LOCATION: **Lot 2 U/L B Sec 4 T21S R33E 430 FNL 2590 FWL**

PROPOSED DEPTH: **18700' 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

Paul Kautz
Hobbs District Geologist, District I

RESONSE:

The above referenced location is in LMR (2012 year) -----Yes _____ No NK

The above referenced location is within the Buffer Zone-----Yes _____ No NK

Signed *Larry D. Rydal*

Printed Signature Larry D. Rydal

Representing State Land Office

Oil Conservation Division * 1625 N. French Dr.*
* Hobbs, New Mexico 88240

* Phone: (575) 393-6161 * Fax (575) 393-0720* <http://www.emnrd.state.nm.us>



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OIL CONSERVATION DIVISION

Paul Kautz
Hobbs District Geologist, District I

RESPONSE:

The above referenced location is in LMR (2013 year) ----- Yes _____ No

The above referenced location is within the Buffer Zone ----- Yes _____ No

Signed _____

Printed Signature **JAMES S. RUTLEY**

Representing **DOI-BLM-NM-CFO-SOADS-RUTLEY**





January 8, 2014

Oil Conservation Division
1625 N. French Drive
Hobbs, New Mexico 88240

Attention: Mr. Paul Kautz

Re: Corazon State Unit #12H, Unit E
Corazon State Unit #13H, Unit L
Section 4, Township 21 South, Range 33 East
Lea County, New Mexico

Dear Mr. Kautz:

Please be advised that there are no active potash leases within a one-mile radius of the proposed subject well. This was determined from the BLM's base map and the NM State Land Office website's Oil and Gas, Minerals Map Service.

If you need anything further from COG regarding this, please don't hesitate to contact me at 575-748-6952 or mparker@concho.com.

Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Melanie J. Parker".

Melanie J. Parker
Regulatory Coordinator

/mp
Attachment