

30-025-43474

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Tony Delfin
Acting Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



November 29, 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: COG Operating LLC

LEASE NAME: Lightning 1 State SWD # 2

PROPOSED LOCATION: U/L F Lot 14 Sec 1 T21S R33E 3780 FSL 2300 FWL

PROPOSED DEPTH: 20900' MD & 9853' 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 LMR (2012 year) -----Yes _____ No
The above referenced location is within the Buffer Zone-----Yes _____ No 30W

Signed
Printed Signature Aubrey Dunn
Representing State Land Office

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OIL CONSERVATION DIVISION


Paul Kautz
Hobbs District Geologist, District I

RESONSE:

The above referenced location is in LMR 2016 year) -----Yes _____ No

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

Signed

Printed Signature JAMES S. RUTLEY

Representing US-DOI-BLM-NM-CFO/SOLIDS-RUTLEY

Kautz, Paul, EMNRD

From: Stormi Davis <SDavis@concho.com>
Sent: Wednesday, November 30, 2016 10:42 AM
To: Kautz, Paul, EMNRD
Subject: RE: Lighning 1 State SWD #2 (30-025-43474)

I talked with Melanie, Rand and Brian Collins. They looked at the State Land Office map and the BLM map and found that there are no potash leases within 1 mile.

Have you mailed or emailed the letter to BLM and SLO asking for approval to drill in the R-111-P area? Is there something else I need to do?

Stormi

From: Kautz, Paul, EMNRD [mailto:paul.kautz@state.nm.us]
Sent: Wednesday, November 30, 2016 9:43 AM
To: Stormi Davis
Subject: [External] RE: Lighning 1 State SWD #2 (30-025-43474)

**** External email. Use caution. ****

Hi Stormi,

This well is in the R-111-P potash area and it has not been approved. It is there to allow any potash companies to object to the well. Before I can approve the APD I need a reply from BLM and SLO. Also COG needs to notify me of any potash leases within a one mile radius of the proposed well if they have been notified.

Paul Kautz
Hobbs District Geologist
NM Oil Conservation Div.
1625 N French Dr.
Hobbs, NM 88240
575-393-6161 Ext. 104

From: Stormi Davis [mailto:SDavis@concho.com]
Sent: Wednesday, November 30, 2016 9:33 AM
To: Kautz, Paul, EMNRD; Martinez, Patricia L, EMNRD
Subject: Lighning 1 State SWD #2 (30-025-43474)

Good morning.

I see on OCD Permitting that this APD was approved 11/28/16, but it has not been scanned. Would it be possible to get a copy of the approved APD this morning?

Stormi Davis
Regulatory Analyst

COG OPERATING LLC
2208 W Main St
Artesia, New Mexico 88210-3720
575.748.6946



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