Kautz, Paul, EMNRD

From:	Holm, Anchor <aholm@slo.state.nm.us></aholm@slo.state.nm.us>
Sent:	Wednesday, April 3, 2019 11:53 AM
То:	Dana Arnold
Cc:	Clayton Sporich; Doug Sproul; Erica Hixson; Conner Wood; Kessler, Jordan; Marks, Allison; Barnes, Will; Yates, Jack
Subject:	FW: TapRock - Zeus Horizontal well revised surface drilling island location

Dana,

Both Jack Yates, Minerals Manager, and I concur with the revised drilling island plan for these two Zeus horizontal well sites as being located outside the Ochoa Mine Main layout. They also appear to not infringe upon the archaeological sites within the area of concern.

The State Land Office appreciates your consideration in this matter.



Anchor E. Holm Petroleum Engineering Specialist Advanced Oil Gas & Minerals Division 505.827.5759 New Mexico State Land Office 310 Old Santa Fe Trail P.O. Box 1148 Santa Fe, NM 87504-1148 aholm@slo.state.nm.us nmstatelands.org

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From: Yates, Jack Sent: Wednesday, April 3, 2019 11:40 AM To: Holm, Anchor <aholm@slo.state.nm.us> Subject: RE: Zeus

Anchor,

After our review and discussion I do concur that Taprock has moved their well placement outside of the potash mine mains area as well as out of the identified area of archaeological concern.

Thanks much,

-Jack

From: Holm, Anchor Sent: Wednesday, April 3, 2019 10:27 AM To: Yates, Jack <<u>jyates@slo.state.nm.us</u>> Subject: RE: Zeus

Jack,

Do you concur that both proposed wellbores are not penetrating the Main of PolyNatura's mine plan? I am a bit uncomfortable with them not preparing a plat showing the layout of the mine main, but Paul Koutz will likely make one.

Anchor

From: Dana Arnold [mailto:darnold@taprk.com] Sent: Wednesday, April 3, 2019 10:11 AM To: Yates, Jack <<u>jyates@slo.state.nm.us</u>> Cc: Clayton Sporich <<u>csporich@taprk.com</u>>; Doug Sproul <<u>dsproul@taprk.com</u>>; Erica Hixson <<u>ehixson@taprk.com</u>>; Conner Wood <<u>cwood@taprk.com</u>>; Kessler, Jordan <<u>ikessler@slo.state.nm.us</u>>; Marks, Allison <<u>amarks@slo.state.nm.us</u>>; Holm, Anchor <<u>aholm@slo.state.nm.us</u>>; Barnes, Will <<u>wbarnes@slo.state.nm.us</u>> Subject: RE: Zeus

Good morning Jack,

As reflected in the attached plats, it is our belief that we have moved our planned wells to accommodate both the proposed future potash development as well as the archeological sites through minor expansion of a pre-existing pad. We plan to submit the plats for permitting to Paul Kautz either later today or tomorrow and have also have arranged to have a Lone Mountain archeologist on site during the construction phase of the pad expansion. Please let us know if you foresee any issues with our plan and thank you for all your help throughout this process.

-Dana

From: Dana Arnold
Sent: Thursday, March 28, 2019 11:54 AM
To: 'Yates, Jack' <<u>iyates@slo.state.nm.us</u>>; Tsesmeli, Evangelia <<u>etsesmeli@slo.state.nm.us</u>>; Marks, Allison
<<u>amarks@slo.state.nm.us</u>>; Eck, David <<u>deck@slo.state.nm.us</u>>; Barnes, Will <<u>wbarnes@slo.state.nm.us</u>>; Strang, Dana
V. <<u>dvstrang@slo.state.nm.us</u>>
Cc: Clayton Sporich <<u>csporich@taprk.com</u>>; Doug Sproul <<u>dsproul@taprk.com</u>>; Erica Hixson <<u>Ehixson@taprk.com</u>>; Conner Wood <<u>cwood@taprk.com</u>>; Kessler, Jordan <<u>jkessler@slo.state.nm.us</u>>
Subject: RE: Zeus

Thanks Jack. Will and I were able to circle up on the issue and, based on his guidance, Tap Rock plans to proceed as follows:

- 1. We will contact Lone Mountain to have them determine if any additional buffers to the site are necessary; and
- 2. We will have a Lone Mountain archeologist on site during pad construction to monitor; and
- 3. If anything comes up, we will contact the SLO immediately.

I appreciate everyone's assistance on this matter. As soon as we have amended plats with the proposed plan, we will send to the SLO for its blessing before resubmitting to the NMOCD.

Thank you and please let me know if you have any questions.

-Dana

From: Yates, Jack <<u>iyates@slo.state.nm.us</u>> Sent: Wednesday, March 27, 2019 9:52 AM To: Tsesmeli, Evangelia <<u>etsesmeli@slo.state.nm.us</u>>; Dana Arnold <<u>darnold@taprk.com</u>>; Marks, Allison <<u>amarks@slo.state.nm.us</u>>; Eck, David <<u>deck@slo.state.nm.us</u>>; Barnes, Will <<u>wbarnes@slo.state.nm.us</u>>; Strang, Dana V. <<u>dvstrang@slo.state.nm.us</u>> Cc: Clayton Sporich <<u>csporich@taprk.com</u>>; Doug Sproul <<u>dsproul@taprk.com</u>>; Erica Hixson <<u>ehixson@taprk.com</u>>; Conner Wood <<u>cwood@taprk.com</u>>; Kessler, Jordan <<u>jkessler@slo.state.nm.us</u>> Subject: RE: Zeus

Lia,

In clarification, I requested Taprock send the cultural survey if they had it available after discussing this issue with David Eck. It appeared at the time David didn't have the survey from whence the archaological site boundaries at issue here were derived, so I just wanted to make sure you and David had a copy as soon as possible so issues can be resolved at the earliest opportunity. I have deleted all copies of the report from my end.

I've asked Dana Arnold to coordinate with Will Barnes and/or Dana Strang with questions if necessary until Lia and David return.

Thanks all,

-Jack

From: Tsesmeli, Evangelia

Sent: Tuesday, March 26, 2019 5:25 PM

To: 'Dana Arnold' <<u>darnold@taprk.com</u>>; Marks, Allison <<u>amarks@slo.state.nm.us</u>>; Eck, David <<u>deck@slo.state.nm.us</u>> Cc: Clayton Sporich <<u>csporich@taprk.com</u>>; Doug Sproul <<u>dsproul@taprk.com</u>>; Erica Hixson <<u>ehixson@taprk.com</u>>; Yates, Jack <<u>jyates@slo.state.nm.us</u>>; Conner Wood <<u>cwood@taprk.com</u>>; Kessler, Jordan <<u>jkessler@slo.state.nm.us</u>> Subject: RE: Zeus

Hello all,

David and I would appreciate it greatly if you all deleted any message containing the archaeological survey report in question, as well as any copies of the document itself. It is privileged and confidential information that it is not meant to be shared publicly.

It is impossible to tell from the diagram offered that true avoidance can be accomplished. The quickest way to provide the necessary information is to revisit the location with Lone Mountain archaeologists and your engineers, and establish the situation completely.

We are in the field until this Friday, so expect a more complete response that day.

Lia Tsesmeli, Ph.D. Cultural Resources Office Manager Trust Land Archaeologist Surface Resources Division 505.827.5792 New Mexico State Land Office 310 Old Santa Fe Trail P.O. Box 1148 Santa Fe, NM 87504-1148 etsesmeli@slo.state.nm.us



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From: Dana Arnold [mailto:darnold@taprk.com]

Sent: Tuesday, March 26, 2019 1:30 PM

To: Marks, Allison amarks@slo.state.nm.us; Eck, David deck@slo.state.nm.us; Tsesmeli, Evangelia

<etsesmeli@slo.state.nm.us>

Cc: Clayton Sporich <<u>csporich@taprk.com</u>>; Doug Sproul <<u>dsproul@taprk.com</u>>; Erica Hixson <ehixson@taprk.com>; Yates, Jack <jyates@slo.state.nm.us>; Conner Wood <cwood@taprk.com>; Kessler, Jordan <jkessler@slo.state.nm.us> Subject: RE: Zeus

David and Lia,

Allison passed along your information to me so that we could check the distance that we need to stay away from the archeology boundary of site LA 182107 (as identified in the attached report from Lone Mountain). We are working to try to expand an existing pad (the Enron 9-1 Pad) to the North and East so as to stay off a proposed potash main. Our drilling engineers believe that we can accomplish this as shown below.

We appreciate your guidance as our rig is scheduled to go to this location next--we want to make sure we remain compliant and respectful of the archeological boundaries as we work to find an expedient solution. Please let us know if any other information would be helpful.

Thank you— Dana

Dana Arnold Deputy General Counsel



From: Marks, Allison <<u>amarks@slo.state.nm.us</u>> Sent: Tuesday, March 26, 2019 1:15 PM To: Eck, David <<u>deck@slo.state.nm.us</u>>; Tsesmeli, Evangelia <<u>etsesmeli@slo.state.nm.us</u>>; Cc: Dana Arnold <<u>darnold@taprk.com</u>> Subject: FW: Zeus

From: Dana Arnold [mailto:] Sent: Tuesday, March 26, 2019 1:13 PM To: Yates, Jack <<u>jyates@slo.state.nm.us</u>>; Marks, Allison <<u>amarks@slo.state.nm.us</u>> Subject: FW: Zeus

From: Doug Sproul Sent: Tuesday, March 26, 2019 1:08 PM To: Clayton Sporich <<u>csporich@taprk.com</u>>; Dana Arnold <<u>darnold@taprk.com</u>> Subject: Fwd: Zeus

Begin forwarded message:

From: Nathan Wheat <<u>Nathan.Wheat@topographic.com</u>> Date: March 26, 2019 at 11:32:04 AM MDT To: Doug Sproul <<u>dsproul@taprk.com</u>> Subject: Zeus

Doug,

Please see the screen shot from our CAD file below. The North line at the North of the picture is the arch site.



Nathan Wheat | Project Manager Topographic Land Surveyors 1400 Everman Parkway, Suite 146 Fort Worth, TX 76140 o: 817.744.7512 | c: 817.897.8773 | f: 817.744.7554



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