



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

New Mexico State Office

1474 Rodeo Rd.

P.O. Box 27115

Santa Fe, New Mexico 87502-0115

IN REPLY REFER TO:

APR 16 1997

3160 (067)  
NMNM-59392

CERTIFIED MAIL-RETURN RECEIPT REQUESTED  
P 363 617 508

Yates Petroleum Corporation  
Attention: Clifton R. May  
105 South Fourth St.  
Artesia, NM 88210

RE: Lusk AHB Federal Well No. 9  
NMNM-59392  
1650' FNL & 1040' FEL, Sec. 35, T19S, R32E  
Lea County, New Mexico

Dear Mr. May:

The referenced gas/oil well is located in the Secretary of the Interior's Potash Area as described by 1986 Secretarial Order and was previously approved on September 3, 1992, with three one-year extensions approved on August 31, 1993, October 13, 1994, and September 14, 1995. On August 30, 1996, Carlsbad Resource Area received a fourth request from Yates Petroleum Corporation to extend the approval for another year.

Since the original APD and subsequent extensions were approved, the status of the area with respect to potash mine plans and lease applications has changed significantly. Therefore, this APD/Extension was evaluated using all the pertinent information and data available at the time of re-submission, rather than with the data available from September, 1992. Because Part III.A. of the 1986 Secretary's Order directs the authorized officer to take into consideration the applicable rules and regulations of the Oil Conservation Division of the State Of New Mexico, due consideration was given to the designation of a new Life of Mine Reserve submittal per the State's Order R-111-P, part G(3) and part D(1).

*S.C. Request  
284 8-27  
T&R: Deleted  
well from plan  
8/22/97  
Void*

*dp*

Regrettably, your request for another one year extension to drill the well must be denied and the original approval is hereby rescinded. Drilling at the proposed location would likely interfere with future potash mining and result in undue waste of potash. In the future, it could also prove hazardous to the health and safety of potash miners.

Your copies of the application are being returned. By using the enclosed 1842-1 Form, this decision may be appealed to the Interior Board of Land Appeals in accordance with 43 CFR 3165.4.

Please contact our Carlsbad Resource Area Office Solid Minerals Staff at (505)887-6544 should you have questions regarding alternative locations or need other assistance on matters involving potash mining.

Sincerely,

**Frank Splendoria**

**For**

William C. Calkins  
State Director

2 Enclosures

cc:  
IMC Kalium Carlsbad Potash Co.  
Attention: Peter N. Livingstone  
P.O. Box 71  
1361 Potash Mines Road  
Carlsbad, NM 88221-0071

✓ New Mexico Oil Conservation Division  
P.O. Box 1980  
Hobbs, NM 88240