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:

- l) 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 l-mile radius referred to.
- 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) Semd 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: Union oil Co of Calif  |
|--|
| DERATOR: Union Dil Co o Calif LEASE & WELL State HH Delaware #3-I.             |
| LOCATION 2050/2+750/E 36-19-32 PROPOSED DEPTH 8000                             |
| DATE APD RECEIVED 4-15-93 WAS PLAT OF AREA ATTACHED YES                        |
| WERE ALL POTASH LESSEES NOTIFIED BY CERTIFIED MAIL? Harryon                    |
| 20-DAY WAITING PERIOD BEGINS ENDS  |
| WERE WAIVERS RECEIVED! Harizan   |
| DATE SLO NOTIFIED 4-16-93 DATE REPLY RECEIVED 4-22-93                          |
| DATE BLM NOTIFIED 4-16-93 DATE REPLY RECEIVED 4-26-93                          |
| IS LOCATION INSIDE LMR OR BUFFER ZONE?  YES Buffle NO                          |
| THE LOCATION INSIDE LMR OR BUFFER ZONE WAS LESSEE/LESSOR AGREEMENT FURNISHED V |
| DATE APD APPROVED 4-27-93 DATE APD DENIED                                      |

#### STATE OF NEW MEXICO



## ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

## OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

BRUCE KING GOVERNOR April 16, 1993

POST OFFICE BOX 1980 HOBBS, NEW MEXICO 88241-1980 (505) 393-6161

BUREAU OF LAND MANAGEMENT P.O. Box 1778 Carlsbad, NM 88221

STATE LAND OFFICE Attn: Ernie Szabo P.O. Box 1148 Santa Fe. NM 87504

| Santa Fe, NM 87504   |
|--|
| RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA OPERATOR UNION OIL COMPANY OF CALIFORNIA  |
| LEASE NAME STATE HH DELAWARE #12   |
| PROPOSED LOCATION 1980/N & 350/E, Unit H, Sec. 36, T19S, R32E  |
| PROPOSED DEPTH 8000'   |
| Gentlemen:   |
| The application for permit to drill identified above has been filled with this office of the New Mexico Oil Conservation Division. Pursuant to the provision of Oil Conservation Division Order R-111-P, please advise this office whether the location is within an established Life-of-Mine-Reserve area filed with and approved by your office. If not, please advise whether it is within the buffe zone established by the order. |
| Thank you for your assistance. Please return as soon as possible.  |
| Very truly yours,  |
| OIL CONSERVATION DIVISION Is within area (Easied by  |
| Jerry Sexton Supervisor, District I  RESPONSE:  Moranda - prant status incentai  Remor leas farm out to Horizon  Response:   |
| RESPONSE:  |
| The above-referenced location is in LMR  |
| The above-referenced location is within the buffer zone Yes No   |
| Signed Churst Sate Date  |
| Representing $SLO / 4/20/93$   |
|  |





# STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

APR 19 8 34 M 603 CONSERVATION DIVISION

CARL

April 16, 1993

POST OFFICE BOX 1980 HOBBS, NEW MEXICO 88241-1980 (505) 393-6161

BRUCE KING GOVERNOR

> BUREAU OF LAND MANAGEMENT P.O. Box 1778 Carlsbad, NM 88221

STATE LAND OFFICE Attn: Ernie Szabo P.O. Box 1148 Santa Fe, NM 87504

| DE. ADDITION FOR DEPLY TO SELECT   |
|--|
| RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA   |
| OPERATOR UNION OIL COMPANY OF CALIFORNIA   |
| LEASE NAMESTATE HH DEALWARE #3   |
| PROPOSED LOCATION 2050/S & 750/E, Unit I, SEc. 36, T19S, R32E  |
| PROPOSED DEPTH 8000  |
| Gentlemen:   |
| The application for permit to drill identified above has been filled with this office of the New Mexico Oil Conservation Division. Pursuant to the provisions of Oil Conservation Division Order R-III-P, please advise this office whether the location is within an established Life-of-Mine-Reserve area 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,  |
| Jerry Section  Jerry Section  Supervisor, District I   |
| RESPONSE:  |
| The above-referenced location is in LMR Yes No 💥   |
| The above-referenced location is within the buffer zone Yes * No   |
| Signed (Nairy (Neumstern) Date 4-23-93   |
| Representing BLM   |
| THIS WALL IS IN THE 1/2 MILE BUFFER  |
| ZONE BUT OUTSIDE THE 1/4 MILLE BUFFE   |

DRUG FREE ZONE