



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

BRUCE KING
GOVERNOR

November 17, 1992

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

Bass Enterprises Production Company
P.O. Box 2760
Midland, TX 79702-2760

Attn: Mr. Keith E. Bucy

RE: Application for Permit to Drill in R-111-P Area
Little Eddy Unit Well #1
Unit M, Sec. 32, T20S, R33E

Gentlemen:

We have received your intent to drill the above-referenced well. This location lies within the potash area described in R-111-P. According to paragraph G-2 of this order operators of oil and gas leases must comply with certain requirements relating to notice to potash lessees of your intent to drill.

Before this application for permit to drill can be processed you must furnish the following:

- 1) Map of the area showing all potash lessees
- 2) Copy of your letter of notice to potash lessees
- 3) Card showing delivery date of notice to potash lessees

The location of this well may not be in LMR but you still have to do what is required by R-111-P. We will verify through State Land Office and BLM if the acreage is within LRM or buffer zone. If waivers are received from the potash lessees the APD may be processed; otherwise, we must wait 20 days from date of delivery of your notice to them.

Further, your proposed casing program does not meet requirements set out in R-111-P. Your surface casing must be set just above top of salt and the 5½ production casing must be circulated back to the surface.

We realize you may not be familiar with the requirements of drilling in the R-111-P area so we are enclosing a copy of this order for your information. If you have questions concerning the above, please contact Evelyn Downs or myself at (505)393-6161.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton
Supervisor, District I

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Encl.

