

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:

1) 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 1-mile radius referred to.

2) 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) Send 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 DENY it under R-111-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: Yates Petroleum Corp

LEASE & WELL West APQ State #1-F

LOCATION Sec.17, T-21s, R-34e, 1980/N & 1980/W PROPOSED DEPTH 10200'

DATE APD RECEIVED 9/20/95 WAS PLAT OF AREA ATTACHED \_\_\_\_\_

WERE ALL POTASH LESSEES NOTIFIED BY CERTIFIED MAIL? yes

20-DAY WAITING PERIOD BEGINS \_\_\_\_\_ ENDS \_\_\_\_\_

WERE WAIVERS RECEIVED? Yes

DATE SLO NOTIFIED 10/5/95 DATE REPLY RECEIVED 10/10/95

DATE BLM NOTIFIED 10/5/95 DATE REPLY RECEIVED 10/10/95

IS LOCATION INSIDE LMR OR BUFFER ZONE? YES \_\_\_\_\_ NO ✓

IF LOCATION INSIDE LMR OR BUFFER ZONE WAS LESSEE/LESSOR AGREEMENT FURNISHED No

DATE APD APPROVED 10/11/95 DATE APD DENIED \_\_\_\_\_



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

October 5, 1995

POST OFFICE BOX 1880  
 HOBBS, NEW MEXICO 88241-1880  
 (505) 393-6161

GOVERNOR

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

STATE LAND OFFICE  
 Attn: Joe Mraz  
 P.O. Box 1148  
 Santa Fe, NM 87504

RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR Yates Petroleum Corp  
 LEASE NAME West APQ State #1-F  
 PROPOSED LOCATION Sec. 17, T-21s, R-34e 1980/N & 1980/W  
 PROPOSED DEPTH 10200'

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-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 buffer zone established by the order.

Thank you for your assistance. Please return as soon as possible.

Very truly yours,

OIL CONSERVATION DIVISION

NOTE: This well is a RE-ENTRY of  
 Shell Oil Co  
 W Wilson Deep Unit Sec. 17  
 #1-F, Sec. 17, T-21s, R-34e

Jerry Sexton  
 Supervisor, District I

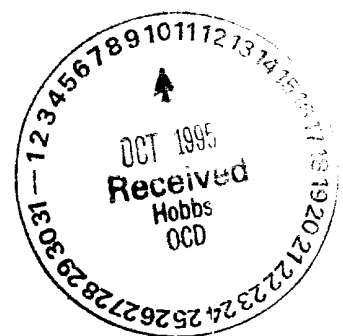
RESPONSE:

The above-referenced location is in LMR ----- Yes ☐ No ☒  
 The above-referenced location is within the buffer zone ----- Yes ☐ No ☒

Signed GARY HUMPHREY  
 Representing BUREAU OF LAND MANAGEMENT

Date 10-6-95







STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

October 5, 1995

Governor

POST OFFICE BOX 1880  
HOBBS, NEW MEXICO 88241-1880  
(505) 383-6181

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Yes ☐ No ☐

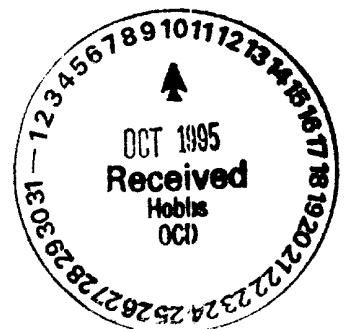
The above-referenced location is within the buffer zone----- Yes ☐ No ☒

Signed Larry Kenoe, Director

Date October 6, 1995

Representing NM State Land Office  
Oil, Gas & Minerals Division





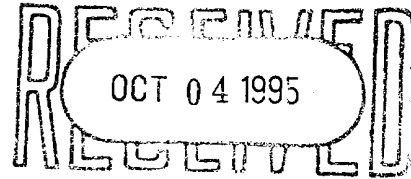
MARTIN YATES, III  
1912 - 1985  
FRANK W. YATES  
1936 - 1986



105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210  
TELEPHONE (505) 748-1471

S. P. YATES  
CHAIRMAN OF THE BOARD  
JOHN A. YATES  
PRESIDENT  
PEYTON YATES  
EXECUTIVE VICE PRESIDENT  
RANDY G. PATTERSON  
SECRETARY  
DENNIS G. KINSEY  
TREASURER

September 21, 1995



General Manager  
Eddy Potash, Inc.  
P.O. Box 31  
Carlsbad, New Mexico 88220

RE: West APQ St. #1 (Re-entry)  
1980' FNL and 1980' FWL  
Sec. 17-T21S-R34E  
Lea County, New Mexico

Dear Sir:

Yates Petroleum Corporation has filed an application for permit to re-enter a wellbore at the above captioned location. The well was originally drilled to a depth of 13000'. Enclosed is a copy of our application sent to the Oil Conservation District in Hobbs, New Mexico.

The Bureau of Land Management has advised us that Eddy Potash, Inc. has the potash lease. We respectfully request that you waive any objection you may have to this proposed re-entry and so indicate by signing and returning this letter in the enclosed envelope.

Your favorable consideration of this request will be greatly appreciated.

Sincerely,

YATES PETROLEUM CORPORATION

Clifton R. May  
Regulatory Agent

CRM/dc  
Enclosure(s)

No Objections Offered

Eddy Potash, Inc.

By:   
Name: ROBERT F. KIRBY  
Date: 10-4-95

MARTIN YATES, III  
1912 - 1985  
FRANK W. YATES  
1936 - 1986



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Enclosure(s)

No Objections Offered

Eddy Potash, Inc.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Date: \_\_\_\_\_

Z 683 523 539



**Receipt for  
Certified Mail**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Sent to <b>General Manager</b>	
<b>Eddy Potash, Inc.</b>	
<b>P.O. Box 31</b>	
P.O., State and ZIP Code <b>Carlsbad, New Mexico 88220</b>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom Date Delivered	
Return Receipt Showing Date, and Addressee's Address	
TOTAL Postage & Fees	
Postmark or Date	

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

**3. Article Addressed to:**

**General Manager  
Eddy Potash, Inc.  
P.O. Box 31  
Carlsbad, New Mexico 88220**

**5. Signature (Addressee)**

**6. Signature (Agent)**

PS Form 3811, December 1991

☆U.S. GPO: 1993-352-714

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

**4a. Article Number**

**Z 683 523 539**

**4b. Service Type**

- |   |   |
|---|---|
| <input type="checkbox"/> Registered           | <input type="checkbox"/> Insured                        |
| <input checked="" type="checkbox"/> Certified | <input type="checkbox"/> COD                            |
| <input type="checkbox"/> Express Mail         | <input type="checkbox"/> Return Receipt for Merchandise |

**7. Date of Delivery**

**8. Addressee's Address (Only if requested and fee is paid)**

Thank you for using Return Receipt Service.

