

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: Mitchell Energy Corp

LEASE & WELL Comanche 16 State #1-E

LOCATION 1984N+6600W 16-21-33 PROPOSED DEPTH 14,700

DATE APD RECEIVED 3-10-93 WAS PLAT OF AREA ATTACHED yes

WERE ALL POTASH LESSEES NOTIFIED BY CERTIFIED MAIL? yes Miss Chen
Eddy Potash

20-DAY WAITING PERIOD BEGINS 3-15-93 ENDS 4-5-93

WERE WAIVERS RECEIVED? Miss Chen (yes) Eddy Potash (No)

DATE SLO NOTIFIED 3-12-93 DATE REPLY RECEIVED 3-18-93

DATE BLM NOTIFIED 3-12-93 DATE REPLY RECEIVED 3-24-93

IS LOCATION INSIDE LMR OR BUFFER ZONE? YES _____ NO ✓

IF LOCATION INSIDE LMR OR BUFFER ZONE WAS LESSEE/LESSOR AGREEMENT FURNISHED _____

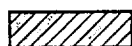
DATE APD APPROVED 4-12-93 DATE APD DENIED _____



UNRELEASED FEDERAL (N/A)



EDDY POTASH, INC.



MISSISSIPPI CHEMICAL CORP.



Mitchell Energy Corporation
P.O. BOX 4000 • THE WOODLANDS, TEXAS 77387-4000

Potash Lessees
Comanche "16" State Well No. 1
Section 16, T-21-S - R-33-E
Lea County, New Mexico

DATE: _____

2-25-93

SCALE:

1"=2000'



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

March 12, 1993

BRUCE KING
GOVERNOR

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

RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR MITCHELL ENERGY CORP.

LEASE NAME COMANCHE 16 STATE #1

PROPOSED LOCATION 1980/N & 660/W Sec. 16, T21S, R33E

PROPOSED DEPTH 14,700'

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

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

Date 3-23-93

Representing BLM





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

BRUCE KING
GOVERNOR

March 12, 1993

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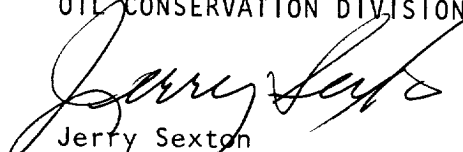
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Thank you for your assistance. Please return as soon as possible.

Very truly yours,


OIL CONSERVATION DIVISION


Jerry Sexton
Supervisor, District 1

RESPONSE:

The above-referenced location is in LMR ----- Yes ☐ No ☒

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

Signed 
Representing SLO

Date March 15, 1993



April 7, 1993

Ms. Evelyn Downs
Oil Conservation Division
P.O. Box 1980
Hobbs, NM 88241-1980



RE: Comanche "16" State Well No. 1
Lea County, New Mexico

Dear Ms. Downs:

Enclosed for your review and file you will find a waiver letter from Mississippi Chemical Corporation, whereby they waive objection to the drilling of the subject well. I have also enclosed a copy of the certified card signed by Eddy Potash wherein they were notified of the drilling of the subject well.

If I can be of any further help, kindly advise.

Very truly yours,

MITCHELL ENERGY CORPORATION

A handwritten signature in cursive script that reads "George Mullen".

George Mullen
Regulatory Affairs Specialist

GM:mw
OCDltr2.gm

Enclosures

VIA CERTIFIED MAIL
Receipt No. P 144 900 270

March 9, 1993

Mr. Randy Foote
Mississippi Chemical Corporation
1996 Potash Mine Road
Carlsbad, New Mexico 88220

RE: Comanche "16" State Well No. 1
Lea County, New Mexico



Dear Mr. Foote:

By this letter, Mitchell Energy Corporation notifies you that it intends to file an Application for Permit to Drill (APD) with the State of New Mexico Oil Conservation Division for the above referenced well. The proposed location is 1980 feet from the north line and 660 feet from the west line of Section 16, Township 21 South, Range 33 East (copy of APD and plat enclosed). According to our record check, this location is within a mile of your potash lease.

Please indicate below whether or not you have any objections to drilling the subject well at the proposed location, and return two copies of this letter to the undersigned. The third copy is for your files.

If you need further information, please contact me at (713) 377-5855.

Very truly yours,

MITCHELL ENERGY CORPORATION

George Mullen
Regulatory Affairs Specialist

GM:mw
CMCH16NM.GM

RECEIVED

MAR 14 1993

VON HOBBS CENTER

Comanche "16" State Well No. 1
Lea County, New Mexico
March 9, 1993
Page 2

✓ "Mississippi Chemical Corporation" has **NO OBJECTION** to this Application.

 "Mississippi Chemical Corporation" **INTENDS TO PROTEST** this Application.

By: Randy Fook

Title: Gen. Mgr.

Date: 3-17-93

GM:mw
CMCH16NM.GM

Enclosures

cc: Ms. Evelyn Downs OCD - Hobbs

VIA CERTIFIED MAIL
Receipt No. P 144 900 271

March 9, 1993

Mr. Marvin Watts
Eddy Potash
3071 Potash Mine Road
Carlsbad, New Mexico 88220

RE: Comanche "16" State Well No. 1
Lea County, New Mexico



Dear Mr. Watts:

By this letter, Mitchell Energy Corporation notifies you that it intends to file an Application for Permit to Drill (APD) with the State of New Mexico Oil Conservation Division for the above referenced well. The proposed location is 1980 feet from the north line and 660 feet from the west line of Section 16, Township 21 South, Range 33 East (copy of APD and plat enclosed). According to our record check, this location is within a mile of your potash lease.

Please indicate below whether or not you have any objections to drilling the subject well at the proposed location, and return two copies of this letter to the undersigned. The third copy is for your files.

If you need further information, please contact me at (713) 377-5855.

Very truly yours,

MITCHELL ENERGY CORPORATION

George Mullen
Regulatory Affairs Specialist

GM:mw
CMCH16NM.GM

RECEIVED

APR 18 1993

OLD HOBBS OFFICE

Comanche "16" State Well No. 1
Lea County, New Mexico
March 9, 1993
Page 2

_____ "Eddy Potash" has **NO OBJECTION** to this Application.

_____ "Eddy Potash" **INTENDS TO PROTEST** this Application.

By: _____

Title: _____

Date: _____

GM:mw
CMCH16NM.GM

Enclosures

cc: Ms. Evelyn Downs OCD - Hobbs

bcc: Larry Cunningham - Midland
Jack Stanley - Midland
George Tullos - Midland
Mark Whitley - MND-4N
Central Records - MND-2N

SENDER: <ul style="list-style-type: none">• 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 Fee will provide you the signature of the person delivered to and the date of delivery.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to: Mr. Marvin Watts Eddy Potash 3071 Potash Mine Road Carlsbad, NM 88220		4a. Article Number P 144 900 271	
		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 3-15-93	
5. Signature (Addressee)		8. Addressee's Address (Only if requested and fee is paid)	
6. Signature (Agent) <i>M.B. Richards</i>			

RECEIVED

APR 18 1993

OXD HOBBS OFFICE