

*"The Division's District Supervisor may waive the requirements of Section D and F (dealing with drilling, casing and plugging) which are more rigorous than the general rules upon satisfactory showing that a location is outside the Life of the Mine Reserves (LMR) and surrounding buffer zone as defined hereinbelow and that no commercial potash reserves will be unduly diminished."*

- (9) The N/2 of said Section 33 is not within a designated LMR or buffer zone.
- (10) A well immediately to the north of the proposed J. D. Federal "33" Well No. 1, the Santa Fe Energy Resources, Inc. Abe Unit Well No. 1 (API No. 30-025-33061), located at a standard gas well location 760 feet from the South line and 1980 feet from the East line (Unit O) of Section 28, Township 21 South, Range 33 East, NMPM, Lea County, New Mexico, being on a State Lease, was drilled in August/September, 1995 to a total depth of 15,100 feet and was subsequently completed within the Legg-Atoka Morrow Gas Pool. The Division authorized Santa Fe Energy Resources, Inc. to omit the salt protection string in this well, but it was required to set the surface casing string to the top of the Anhydride. In this instance the 13-3/8 inch surface casing was set at 1650 feet.
- (11) The applicant has provided the necessary notification requirements to drill a well in the "Potash Area" and has adequately satisfied the U. S. Bureau of Land Management's request by seeking this exception through the Division's hearing process.
- (12) The subject application should be approved; provided however, adequate surface casing to the top of the anhydride is set.
- (13) The operator should contact the supervisor of the Hobbs District Office of the Division to review the casing and cementing design for this well and make pursuant to his recommendations any necessary changes. Should these recommendations differ from any design authorized by the BLM, the operator should incorporate the more stringent specification of the two agencies.
- (14) Except as modified by any order issued in this matter, all of the provisions of Order No. R-111-P applicable to the casing, actual drilling, cementing and plugging of a deep high pressure gas well within the "Potash Area" shall be strictly adhered to.
- (15) Approval of this application with said condition is in the best interest of conservation, exhibits sound engineering practices, will serve to adequately prevent waste, and protect correlative rights.