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 I 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 <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: Mitchell Energy Carp	
./ /	
LEASE & WELL anusing 4 State # 2 I LOCATION 664 E 1654 8 4-2533 PR	OPOSED DEPTH 12,000
DATE APD RECEIVED 68 43 WAS PLAT OF AREA ATT	ACHED 4 yes
WERE ALL POTASH LESSEES NOTIFIED BY CERTIFIED MAIL?	•/
20-DAY WAITING PERIOD BEGINS ENDS _	
WERE WAIVERS RECEIVED?	
DATE SLO NOTIFIED 6-8-3 DATE REPLY RECEIVED	1.17.43
DATE BLM NOTIFIED 6-8-93 DATE REPLY RECEIVED	7-6-43
IS LOCATION INSIDE LMR OR BUFFER ZONE? YES	NO X
IF LOCATION INSIDE LMR OR BUFFER ZONE WAS LESSEE/LESSOR AG	REEMENT FURNISHED
DATE APD APPROVED 7-6-93 DATE APD DENIED	

STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

BRUCE KING GOVERNOR June 8, 1993

RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

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

	OPERATOR MITCHELL ENERGY CORPORATION		
	LEASE NAME ANASAZI '4' STATE #2		
	PROPOSED LOCATION 1650/S ε 660/E Sec 4, T20S, R33E		
	PROPOSED DEPTH 12,000'		
	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-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,		
/	OIL CONSERVATION DIVISION		
/	Jerry Sexton Supervisor, District I		
	RESPONSE:		
	The above-referenced location is in LMR Yes $\underline{\hspace{1cm}}$ No $\underline{\hspace{1cm}}$		
	The above-referenced location is within the buffer zone Yes No		
	Signed $\frac{1}{1}$ Date $\frac{6-14-93}{1}$ Representing $\frac{510-06m}{1}$		



RECEIVED STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT Jun 10 12 35012 CONSERVATION DIVISION **HOBBS DISTRICT OFFICE**

June 8, 1993

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

er

BRUCE KING GOVERNOR

BUREAU OF LAND MANAGEMENT

STATE LAND OFFICE

Carlsbad, NM 88221	P.O. Box 1148 Santa Fe, NM 87504
RE: APPLICATION FOR PERMIT TO D	RILL IN POTASH AREA
OPERATOR MITCHELL EN	ERGY CORPORATION
LEASE NAMEANASAZI '4'	STATE #2
PROPOSED LOCATION 1650/S	& 660/E Sec 4, T20S, R33E
PROPOSED DEPTH 12,000	I
Gentlemen:	
office of the New Mexico Oil Con of Oil Conservation Division Ord the location is within an establ	rill identified above has been filled with this aservation Division. Pursuant to the provisions der R-III-P, please advise this office whether ished Life-of-Mine-Reserve area filed with and and applease advise whether it is within the buffer
Thank you for your assistance. Please return as soon as possible.	
Very truly yours,	
OIL CONSERVATION DIVISION	
Jereyster	
Jerry Sexton Supervisor, District I	
RESPONSE:	
The above-referenced location is	s in LMR No <u>★</u>
The above-referenced location is	s within the buffer zone Yes No 💥
Signed Lang Cannot	Date 7-1-93
Representing $\frac{1}{100}$	



