

GUIDELINES FOR PROCESSING APD FOR WELL IN POTASH AREA -- R-111-P

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: BTA Oil Producers

LEASE & WELL Gem, 8705 JV-P #9

LOCATION 2-20-33 (Unit D) 920/N & 330/W PROPOSED DEPTH 7000'

DATE APD RECEIVED 11/2/99 WAS PLAT OF AREA ATTACHED Yes

WERE ALL POTASH LESSEES NOTIFIED BY CERTIFIED MAIL?

20-DAY WAITING PERIOD BEGINS ENDS

WERE WAIVERS RECEIVED? ~~No~~ Yes

DATE SLO NOTIFIED 11/5/99 DATE REPLY RECEIVED 11/19/99

DATE BLM NOTIFIED 11/5/99 DATE REPLY RECEIVED 11/12/99

IS LOCATION INSIDE LMR OR BUFFER ZONE? YES NO

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

DATE APD APPROVED C6 11/22/99 DATE APD DENIED



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

November 5, 1999

GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 382-8181

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 BTA Oil Producers

LEASE NAME Gem, 8705 JV-P #9

PROPOSED LOCATION 2-20-33 (Unit D) 920/N & 330/W

PROPOSED DEPTH 7000'

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-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

Chris Williams
Supervisor, District I

11-12-99

DM

RESPONSE:

The above-referenced location is in LMR ----- Yes ___ No X

The above-referenced location is within the buffer zone ----- Yes ___ No X

Signed *Sam Bailey*

Date 11/12/99

Representing SLO





NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
DISTRICT I HOBBS
PO BOX 1980, Hobbs, NM 88241
(505) 393-6161

Jennifer A. Salisbury
CABINET SECRETARY

FAX 505/827-4739

TO: Joe Mraz - State Land Office

FROM: Hobbs OCD

RE: Wells in Potash Area

DATE: 11/5/99

NO. OF PAGES _____ INCLUDING COVERSHEET



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

November 5, 1999

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Carlsbad, NM 88221

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OIL CONSERVATION DIVISION

Chris Williams
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 _____

Representing _____



P. 01

TRANSACTION REPORT

NOV- 5-99 FRI 1:04 PM

FOR: OCD HOBBS

15053930720

DATE	START	RECEIVER	TX TIME		PAGES	TYPE	NOTE
NOV- 5	1:03 PM	15058274739	1' 15"	3		SEND	OK

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

November 5, 1999

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-5161

GOVERNOR

BUREAU OF LAND MANAGEMENT
P.O. Box 1778
Carlsbad, NM 88221STATE LAND OFFICE
Attn: Joe Mraz
P.O. Box 1148
Santa Fe, NM 87504

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Very truly yours,

OIL CONSERVATION DIVISION

Chris Williams
Supervisor, District IRESPONSE:The above-referenced location is in LMR ----- Yes ☐ No ☒The above-referenced location is within the buffer zone ----- Yes ☐ No ☒Signed [Signature]Date 11-10-99Representing BLM



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
DISTRICT I HOBBS
PO BOX 1980, Hobbs, NM 88241
(505) 393-6161

Jennifer A. Salisbury
CABINET SECRETARY

FAX 505/885-9264

TO: Crigg Cranston - BLM
FROM: Hobbs OCD
RE: Wells in Potash Area
DATE: 11/5/99

NO. OF PAGES _____ INCLUDING COVERSHEET



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

November 5, 1999

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(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

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OIL CONSERVATION DIVISION

Chris Williams
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 _____

Representing _____




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*                                     P. 01
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*          TRANSACTION REPORT
*
*                                     NOV- 5-99 FRI  1:07 PM
*
*          FOR: OCD HOBBS              15053930720
*
*-----*
*  DATE   START  RECEIVER      TX TIME  PAGES  TYPE      NOTE
*-----*
*  NOV- 5  1:05 PM 15058859264    1' 49"    3  SEND      OK
*
*****

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November 4, 1999

Oil Conservation Division
P.O. Box 1980
Hobbs, NM 88241
Attention: Mr. Chris Williams, District Supervisor

Re: BTA 8705 JV-P Gem No. 9
Section 2, T-20-S, R-33-E
Lea County, New Mexico

Dear Mr. Williams:

Mississippi Potash, Inc. offers no objection to the drilling of the BTA 8705 JV-P Gem No. 9 well by BTA Oil Producers.

Sincerely,

A handwritten signature in cursive script, reading "Jill Farnsworth".

Jill Farnsworth
Chief Mine Engineer

Cc: Ms. Dorothy Houghton
BTA Oil Producers
104 South Pecos
Midland, TX 79701

Ms. Lori Wrotenbery
Director
Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505