

From: [Herrell, Tony J](#)
To: [Moran, Jill C](#)
Subject: FW: Proposed Potash Order
Date: Wednesday, August 22, 2012 5:57:15 PM

From: Larry Scott [mailto:lrscott@leaco.net]
Sent: Monday, August 20, 2012 9:29 AM
To: Herrell, Tony J
Cc: 'Greg Nibert'; 'George Sharpe'
Subject: Proposed Potash Order

Dear Tony:

Lynx Petroleum Consultants, Inc. is a small oil and gas operator with two leases inside the R-111-P potash resource area. We are in possession of Mr. Greg Niberts' comments regarding the proposed changes and are in complete agreement with these comments. Several years ago Lynx proposed the drilling of a Morrow formation gas well to 13,000 feet in Section 32, T-20S, R-30E in Eddy County. Even though our location was surrounded by existing oil and gas production and, thusly, should have condemned NO additional potash reserves, the Intrepid Potash Company vigorously objected to our proposal. It was only after the expenditure of considerable time and money along with a strong technical case that we were able to prevail and proceed.

It is my opinion that the proposed changes would substantially have weakened my position by requiring that my proposed well be an "exception" to a rule rather than evaluated independently on its own merits. The oil/gas and potash industries have uneasily coexisted in the R-111-P area since the 1950s. It would seem imprudent to make significant changes without state of the art technical input (Sandia study) as well as the participation of all stakeholders specifically including the two industry associations IPANM and NMOGA.

Sincerely,

Larry R. Scott
PRESIDENT