



# United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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Instruction Memorandum No. NMP000-2015-001

Expires: 09/30/2017

To: All Employees, Carlsbad Field Office

From: District Manager, Pecos District

Subject: Review of Applications for Permit to Drill, proposals for Drilling Islands,  
and Development Areas within the Designated Potash Area

**Program Area:** Co-Development of Oil, Gas, and Potash within the Designated Potash Area of Eddy and Lea Counties, New Mexico.

**Purpose:** This Instruction Memorandum (IM) provides guidance and outlines the process for implementing Secretary's Order No. 3324 – Oil, Gas, and Potash Leasing and Development within the Designated Potash Area of Eddy and Lea Counties, New Mexico when receiving Applications for Permit to Drill and/or proposals for Drilling Islands and Development Areas within the Designated Potash Area. This guidance clarifies internal processing of such requests in accordance with Secretary's Order No. 3324 and is consistent with Onshore Oil and Gas Order No. 1.

**Policy/Action:** Section 7 of Secretary's Order No. 3324 (herein referred to as "the Order") directs the Bureau of Land Management (BLM) to develop guidelines consistent with the Order for establishing Development Areas and Drilling Islands within the Designated Potash Area (DPA). The procedure outlined below describes how the BLM will process Applications for Permit to Drill (APDs) and requests to establish Drilling Islands and Development Areas within the DPA. A flowchart is included to graphically illustrate this process (Attachment 1). All citations to section numbers refer to the Order.

**Timeframe:** This guidance is effective immediately and will continue to be in effect until the Authorized Officer revises this IM or until Order No. 3324 is revised.

**Budget Impact:** None

**Background:** On December 3, 2012, the Secretary of the Interior issued a new Secretarial Order to facilitate the co-development of oil, natural gas and potash resources within the Designated Potash Area in southeast New Mexico. The Order set forth new requirements for processing APDs and Drilling Islands within the DPA, as well as introducing the concept of Development Areas. Additional guidance was needed to facilitate the establishment of drilling islands and Development Areas.

**Manual/Handbook Affected:** None

**Coordination:** The Carlsbad Field Office coordinated preparation of this IM with the New Mexico State Office and the Office of the Solicitor.

**Contact:** If you have any questions regarding this IM, please contact Carlsbad Field Office Manager George Macdonell 575-234-5972.



Jim Stovall

**4 Attachments:**

- 1 – Process for APD, Drilling Island, and Development Area Review in the DPA (10 pp)
- 2 – Flowchart (1 pp)
- 3 – Sample letter for notification (1 pp)
- 4 – Bone Spring Cross Section (1 pp)

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