

API # 30-015-41007

State of New Mexico  
Energy, Minerals and Natural Resources Department

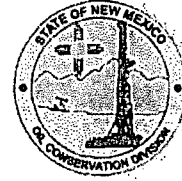
Susana Martinez  
Governor

2013 FEB 1 AM 7 55

John Bemis  
Cabinet Secretary

Brett F. Woods, Ph.D.  
Deputy Cabinet Secretary

Jami Bailey  
Division Director  
Oil Conservation Division



January 28, 2013

BUREAU OF LAND MANAGEMENT  
ATT: James S. Rutley  
620 E Greene Street  
Carlsbad, NM 88220

STATE LAND OFFICE  
ATT: Dan Fuqua  
PO BOX 1148  
Santa Fe, NM 87505

RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR: Devon Energy Production Company, LP

LEASE NAME: Diamond PWU 22 #7H

PROPOSED LOCATION: SHL Lot I Sec 21 T19S R29E; 1970' FSL 170' FEL  
BHL Lot I Sec 22 T19S R29E; 1750' FSL 330' FEL

PROPOSED DEPTH: TVD 6,320' MD 11,963'

Gentleman:

The application for permit to drill identified above has been filed with this office of the New Mexico Oil Conservation Division. Pursuant to the provisions of Oil Conservation Division Order R - 111 - P, please advise this office whether the location is within an established Life-of-Mine-Reserve are 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

A handwritten signature in cursive script, appearing to read "R. Dade".

Randy Dade  
Supervisor, District II

RESONSE:

The above referenced location is in LMR (2011 year) -----Yes \_\_\_\_\_ No X

The above referenced location is within the Buffer Zone -----Yes \_\_\_\_\_ No X

Signed Larry J. Rabal

Printed Signature Larry J. Rabal

Representing State Land Office