

API# 30-015-41008

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

2013 FEB 1 AM 7 54

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 #6H

PROPOSED LOCATION: SHL Lot E Sec 22 T19S R29E; 2220' FNL 250' FWL
BHL Lot H Sec 22 T19S R29E; 1980' FNL 330' FEL

PROPOSED DEPTH: TVD 6,315' MD 11,500'

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

Handwritten signature of Randy 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 X No _____

Signed Handwritten signature of Lanny J. Regal.

Printed Signature Lanny J. Regal

Representing State Land Office