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December 4, 2002

VIA FACSIMILE: 405-552-8113 Devon Energy Corporation 20 North Broadway Oklahoma City, OK 73101-8260 Attn: Richard Winchester

Re:

Rio Blanco Devonian Prospect Lea County, New Mexico

Dear Richard,

Receipt of your letter of December 3, 2002, containing revised farmout terms for the captioned project, is acknowledged.

As I have stated to you previously, my main concern is getting this prospect drilled at an early date. Your letter contains no guarantee as to a commencement date, and the farmout offer is subject to final approval by Devon's management. As such, I cannot give it serious consideration. I am not willing to negotiate a trade which is subject to final management approval by Devon.

As I indicated in a recent telephone conversation, I have met with the EGL Resources people here in Midland recently in an effort to determine the best way to go forward on this prospect, to protect the combined 87.5% working interest which we own in Section 4. I believe we will come to some understanding in the near future as to how best to proceed, and I will be back in touch with you at that time.

Sincerely,

Robert E. Landreth

Bob Load John

REL/tk

BEFORE THE BEFORE THE CONSERVATION EXAMINER
OIL CONSERVATION Exhibit No. 13048 Exhibit No. 13048 Exhibit No. 13048 Exhibit No. 100 Co.
Case No. 13048 Exhibit No. 2003
Case No. 13048 Exhibit No. 2003
Submitted BY: Production
Submitted BY: Production
Devon Energy April 10, 2003
Hearing Date: April 10, 2003