

September 8, 2005

**VIA HAND DELIVERY**

David K. Brooks, Esq.  
Assistant Attorney General  
Oil Conservation Commission  
New Mexico Department of Energy,  
Minerals and Natural Resources  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

Re: Applications for Orders Staying Order of the Director pending De Novo Review  
by Oil Conservation Commission.

Dear Mr. Brooks:

Bass Enterprises Production Company and Devon Energy Production Company are attempting to drill the wells that are the subject of this dispute with Mosaic Potash Carlsbad, Inc. Regulatory delays are becoming serious problems for both Bass and Devon.

Although the applications for permits to drill that were filed by Bass and Devon in this matter were the subject of a Division hearing on December 2, 2004, no order was entered in these cases until August 8, 2005 – over eight months after the cases were presented to the Division. Mosaic filed its application for hearing de novo on the 30th day following the entry of the Division Order - the last day authorized by statute.

Since the Commission has scheduled a two day hearing on October 13 and 14, 2005 to consider the Division's recently released proposed enforcement rules, we have been advised the Bass and Devon cases cannot be heard by the Oil Conservation Commission until November 10, 2005.

Mosaic now seeks a stay of the Bass and Devon orders pending a ruling by the full Commission on these applications and Bass and Devon have been asked if they oppose the requested stays. Bass and Devon are concerned about additional the delays in obtaining a final decision on these applications. However, if Mosaic's de novo appeals are set for hearing on November 10, 2005, no requests for continuance are permitted by the Commission, and the appeals are actually heard on this date, Bass Enterprises Production Company will not oppose the Application for Stay of Division Order No. R-12402 filed by Mosaic Potash Carlsbad, Inc. in Case No. 13367, and Devon Energy



Production Company will not oppose the Application for Stay of Division Order No. R-12403 filed by Mosaic Potash Carlsbad, Inc. in Case No. 13372.

Very truly yours,

William F. Carr

cc: Mr. J. Wayne Bailey  
Bass Enterprises Production Company

Mr. Ken Gray  
Devon Energy Production Company

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