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September 2, 2003

VIA FACSIMILE

Mr. David Catanach

New Mexico Oil Conservation Division

1220 South St. Francis Drive

Santa Fe, New Mexico 87505

Re: New Mexico Oil Conservation Case No. 13085; Amended Application of EGL Resources, Inc. and Robert Landreth for Pool Extension for the North Bell Lake-Devonian Gas Pool, or Alternatively, for Pool Creation and Special Pool Rules, and Expansion of Gas Spacing and Proration Unit, Lea County, New Mexico

Dear Mr. Catanach:

This morning, I received a copy of Mr. Kellahin's unsolicited e-mail to you and, other than serving as a platform for Mr. Kellahin to editorialize, I found it to be utterly pointless. Moreover, it misstates the facts.

We all remember from the testimony from the compulsory pooling hearing that, long ago, Mr. Landreth had urged Devon to deepen the Atoka-depleted Rio Blanco "4" No. 1 well to the Devonian formation when it was the operator of that well. Devon's response, unfortunately, was to do nothing. It was only later when EGL and Landreth proposed the current Devonian drilling operation that Devon showed any interest at all, leading everyone to believe the Devonian should be developed on 640-acre spacing. But for the initiative shown by EGL and Mr. Landreth, Devon would most assuredly have been content to let these Devonian resources remain fallow.

Obviously, Devon plans to drill its Section 33 well at a 320-acre gas well location in an attempt to have the spacing issue resolved by default under statewide rules. By doing so, Devon demonstrates a certain degree of contempt for the August 22, 2003 Decision of the Examiner. We agree with Devon's point that Section 33 well data would be relevant in subsequent proceedings, but perhaps no more so than in an unorthodox well location production restriction case.

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If it is the purpose of Mr. Kellahin's letter to solicit some form of action by the Division, then Devon should state a request for relief in a properly filed motion. Otherwise, it would appear the letter is to be disregarded.

Very truly yours,

MILLER STRATVERT P.A.

A handwritten signature in black ink, appearing to read "J. Scott Hall", written in a cursive style.

J. Scott Hall

JSH/glb

cc: W. Thomas Kellahin
Wes Perry
Bob Landreth