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PATRICK H. LYONS COMMISSIONER

State of New Mexico

COMMISSIONER'S OFFICE

Phone (505) 827-5760 Fax (505) 827-5766 www.nmstatelands.org

Commissioner of Public Lands 310 OLD SANTA FE TRAIL P.O. BOX 1148 RECEIVED P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148

PM 3 48 7 2008 AUG August 6, 2008

Devon Energy Corporation 20 North Broadway Oklahoma City, OK 73102-8260

Attn: Ms. Jo Ann Kerran

Re: Northeast Blanco Unit **Commerciality Determinations** Dakota Formation San Juan and Rio Arriba Counties, New Mexico

Dear Ms. Kerran:

We are in receipt of your letter of June 5, 2008 together with data that supports your commercial determinations regarding the following Northeast Blanco Unit Wells:

Well Name & Number	Dedication	Completion Date	Determination
Northeast Blanco Unit #2M	W/2 20-31N-7W	12/14/2006	Non-Commercial
Northeast Blanco Unit #19M	E/2 20-30N-7W	3/7/2007	Commercial
Northeast Blanco Unit #47N	W/2 32-31N-7W	5/12/2007	Commercial
Northeast Blanco Unit #51M	W/2 29-31N-7W	9/14/2006	Non-Commercial
Northeast Blanco Unit #338M	W/2 16-31N-7W	8/21/2007	Commercial
Northeast Blanco Unit #342	W/2 17-30N-7W	10/6/2006	Non-Commercial
Northeast Blanco Unit #343	E/2 16-31N-7W	6/12/2007	Commercial
Northeast Blanco Unit #344	W/2 25-31N-7W	9/8/2007	Commercial
Northeast Blanco Unit #346	E/2 36-31N-8W	4/25/2007	Commercial
Northeast Blanco Unit #348	W/2 36-31N-7W	6/3/2007	Non-Commercial

The Bureau of Land Management, by their letter of July 29, 2008 has advised this office that they have concurred with your determination of the commerciality for the above-mentioned Dakota wells. The Commissioner of Public Lands concurs with the above-mentioned commerciality determinations. The wells that are determined to be commercial wells are to be included in the Dakota participating area

-State Land Office Beneficiaries -

Carrie Tingley Hospital • Charitable Penal & Reform • Common Schools • Eastern NM University • Rio Grande Improvement • Miners' Hospital of NM • NM Boys School • NM Highlands University • NM Institute of Mining & Technology • New Mexico Military Institute • NM School for the Deaf • NM School for the Visually Handicapped • NM State Hospital • New Mexico State University • Northern NM Community College • Penitentiary of New Mexico • Public Buildings at Capital • State Park Commission • University of New Mexico • UNM Saline Lands • Water Reservoirs • Western New Mexico University

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If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

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PATRICK H. LYONS

COMMISSIONER OF PUBLIC LANDS

BY: A 6

JAMI BAILEY, Director Oil, Gas and Minerals Division (505) 827-5744 PL/JB/pm

pc: Reader File BLM-Farmington Attn: Mr. Wayne Townsend OCD-Santa Fe Attn: Mr. Ed Martin TRD-Attn: Mr. Valdean Severson RMD-Attn: Mr. Kurt McFall