



New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



October 2, 2012

BUREAU OF LAND MANAGEMENT
ATT: James Rutley
620 E Greene Street
Carlsbad, NM 88220

STATE LAND OFFICE
ATT: Joe Mraz
PO BOX 1148
Santa Fe, NM 87505

RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR: **Devon Energy Production Company, LP**

LEASE NAME: **Lava Tube 27 State #1H** 30-015-40786

PROPOSED LOCATION: **SHL Lot B Sec 34 T21S R31E; 1015' FNL 1655' FEL**
BHL Lot B Sec 27 T21S R31E; 330' FNL 1980' FEL

PROPOSED DEPTH: **TVD 11,400' MD 17,981'**

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

R. Dade
Randy Dade
Supervisor, District II

*PROPOSED PAD IS WITHIN INTREPID'S
LMR AND LESS THAN A MILE FROM
INTREPID'S 3-YEAR MINE PLAN.*

RESPONSE:

The above referenced location is in LMR (2012 year) -----Yes ☒ No ☐

The above referenced location is within the Buffer Zone -----Yes ☒ No ☐

Signed

Printed Signature

Representing

JAMES RUTLEY
JAMES RUTLEY
BLM - CFO

