



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

January 28, 2005

New Mexico State Land Office

310 Old Santa Fe Trail

P.O. Box 1148

Santa Fe, NM 87504-1148

Attn: Joe Mraz or To Whom It May Concern

RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR: Devon Energy Production Company, L.P.

LEASE NAME: Spud '16' State # 4

LOCATION: SEC. 16 TOWNSHIP 23 SOUTH, RANGE 29 EAST,
960' FSL & 1800' FEL
EDDY COUNTY, NM, NMPM 30-015-33923

PROPOSED DEPTH: 6800'

Dear Joe or To Whom It May Concern,

The application for permit to drill identified above has been filed with this office of the New Mexico Oil Conservation Division. Pursuit to the provisions of Oil Conservation Division Order R-111-P, please advise this office whether or not this application is within an established Life-of Mine Reserve area filed with and approved by your office. If not, please advise whether it is within the buffer zone established by this order.

Thank you for your assistance.

Sincerely,

Bryan G. Arrant

PES, District II Artesia NMOCD

In LMR

Yes _____

No _____

In Buffer Zone

Yes _____

No _____

Comments:

Signature: _____

Date: _____