



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

RCVD JAN5'07

OIL CONS. DIV.

DIST. 3

IN REPLY REFER TO:
3160 (21110)

January 4, 2007

Ms. Melisa Zimmerman
Devon Energy Corp.
20 North Broadway
Oklahoma City, OK 73102

Dear Ms. Zimmerman:

On October 19, 2006, we received an Application for Permit to Drill (APD) for the Northeast Blanco Unit #429A, located in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of section 17, T30N, R7W, for the Basin Fruitland Coal formation. Due to the complicated mineral ownership status under Navajo Lake the APD was inadvertently approved on November 22, 2006. Once this error was brought to our attention and after further review, we concur that the APD was actually drilled on BOR surface and completed in private mineral estate. As such the said APD was inadvertently approved. Therefore, this office hereby rescinds this approval based on our findings. Please submit your application to the New Mexico Oil Conservation Division.

By virtue of this well being drilled on private mineral estate the assessment letter dated November 22, 2006 is hereby rescinded. We apologize for any inconvenience this may have caused. If you have any questions, please contact Steve Mason with this office at (505) 599-6364.

Sincerely,

Original Signed: Stephen Mason

Stephen Mason
Petroleum Engineer, Petroleum Management Team

cc:
NMOCD

30-039-30088