

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF:

APPLICATION OF DEVON ENERGY PRODUCTION )  
COMPANY, L.P. FOR AN ORDER AUTHORIZING )  
THE DRILLING OF A WELL IN THE POTASH AREA, )  
EDDY COUNTY, NEW MEXICO )

CASE NO. 13368  
ORDER NO. R-12403

APPLICATION OF DEVON ENERGY )  
PRODUCTION COMPANY, L.P. FOR AN )  
UNORTHODOX DEEP GAS WELL LOCATION )  
AND FOR AN ORDER AUTHORIZING THE )  
DRILLING OF A WELL IN THE POTASH AREA, )  
EDDY COUNTY, NEW MEXICO )

CASE NO. 13372  
ORDER NO. 12403

2005 SEP 9 02

**APPLICATION FOR HEARING**

MOSAIC POTASH CARLSBAD, INC. ("Mosaic Potash"), hereby applies for a hearing de novo before the New Mexico State Oil Conservation Commission ("OCC") pursuant to Rule 1220 of the Oil Conservation Division's ("OCD") Rules of Procedure on all issues raised by the applications of Devon Energy Production Company, L.P. ("Devon") to drill its Apache "24" Fee Well No. 6, and its Apache "24" Fee Well No. 7-A in Section 24, Township 22 South, Range 30 East, NMPM, Eddy County, New Mexico, and in support thereof shows the following:

1. On December 2, 2004, a hearing on Devon's applications was held before Examiner Michael E. Stogner. Mosaic Potash appeared at the hearing and presented arguments and evidence opposing the applications.
2. Despite its objections, on August 8, 2005, the Director of the New Mexico Oil Conservation Division issued an Order approving the wells.
3. The proposed wells are within an area determined by the U. S. Bureau of Land Management to be "potash enclave."
4. Mosaic Potash holds federal potash leases covering all of the adjoining Section 23 and the SW/4 of Section 24 and therefore is adversely affected by Order 12403.

5. The proposed wells, if allowed, will waste valuable potash deposits and create a safety hazard to underground miners.

WHEREFORE, Mosaic Potash respectfully requests that this matter be set for hearing before the OCC and upon such hearing, an order be entered denying the applications for permit to drill the proposed wells, and for such other and further relief to which it may be entitled.

Respectfully submitted,

KEMP SMITH LLP  
P.O. Box 2800  
El Paso, Texas 79999-2800  
915.533.4424  
915.546.5360 (FAX)

By: \_\_\_\_\_

CHARLES C. HIGH, JR.  
CLARA B. BURNS

Attorneys for Mosaic Potash Carlsbad, Inc.

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing Application for Hearing was sent by facsimile (505-983-6043) and mailed by certified mail, return receipt requested on this 2 day of September, 2005, to William F. Carr, Esq., Holland & Hart LLP, P. O. Box 2208, Santa Fe, New Mexico 87504, attorney for Devon Energy Production Company, L.P.

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Charles C. High, Jr.