STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION 2040 S. PACHECO SANTA FE, NEW MEXICO 87505 (505) 827-7131

August 15, 1995

Devon Energy Operating Corporation 20 North Boradway - Suite 1500 Oklahoma City, Oklahoma 73102

Attention: Karen Byers

Administrative Order NSL-3562

Dear Ms. Byers:

Reference is made to your application dated July 31, 1995, for an unorthodox oil well location for the purpose of completing an efficient injection/production pattern within the Keet West Waterflood Project Area, established by Division Order No. R-2268, dated June 21, 1962.

It is our understanding that the proposed J.L. Keel "B" Well No. 74 (API No. 30-015-28593) is to be drilled 338 feet from the North line and 1455 feet from the East line (Unit B) of Section 8, Township 17 South, Range 31 East, NMPM, Grayburg-Jackson Pool, Keel West Unit Area, Eddy County, New Mexico.

Said well to be dedicated to the existing standard 40-acre oil spacing and proration unit comprising the NW/4 NE/4 of said Section 8 which is currently dedicated to the J. L. Keel "B" Well No. 8, (API No. 30-015-05110) located at a standard oil well location 660 feet from the North line and 1980 feet from the East line of said Section 8.

By the authority granted me under the provisions of General Rule 104 F.(1), the above-described unorthodox oil well locations are hereby approved.

Sincerely

William J. LeMay

Director

WJL/MES/kv

cc: Oil Conservation Division - Artesia

U.S. Bureau of Land Management - Carlsbad