



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

August 26, 2003

Lori Wrotenbery
Director
Oil Conservation Division

Devon Energy Production Company, L.P.
c/o James Bruce
P. O. Box 1056
Santa Fe, New Mexico 87501

Administrative Order NSL-4941

Dear Mr. Bruce:

Reference is made to the following: (i) your application on behalf of the operator, Devon Energy Production Company, L.P. ("Devon"), submitted to the New Mexico Oil Conservation Division ("Division") on July 10, 2003 (*administrative application reference No. pMES0-319250237*); (ii) the Division's initial response by letter dated July 30, 2003 from Mr. Michael E. Stogner, Engineer/Hearing Officer in Santa Fe requesting additional information to support your application; (iii) your two letters dated August 5 and 9, 2003 with supplemental information attached; (iv) yours and Mr. Stogner's e-mails of August 11 and 13, 2003; (v) your conversations with Mr. Stogner on July 16, 2003, August 11, 2003, and on August 21, 2003 concerning this application; (vi) your telefax of August 22, 2003 with additional information to support your request; and (vii) the Division's records in Santa Fe: all concerning Devon's request to drill its Eagle "35-H" Federal Well No. 14 as an initial well within a standard 40-acre oil spacing and proration unit in the Undesignated Northeast Red Lake-Glorieta-Yeso Pool (96836) comprising the SE/4 NE/4 (Unit H) of Section 35, Township 17 South, Range 27 East, NMPM, Eddy County, New Mexico, at an unorthodox oil well location 2560 feet from the North line and 760 feet from the East line of Section 35.

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

By the authority granted me under the provision of Division Rule 104.F (2), as revised, the above-described unorthodox oil well location for Devon's proposed Eagle "35-H" Federal Well No. 14 within the Undesignated Northeast Red Lake-Glorieta-Yeso Pool is hereby approved.

Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

Lori Wrotenbery
Director

LW/mes

cc: New Mexico Oil Conservation Division - Artesia
U. S. Bureau of Land Management - Carlsbad