

State of New Mexico
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
Santa Fe, New Mexico 87505



OIL CONSERVATION DIVISION



January 10, 1995

Devon Energy Corporation
20 North Broadway, Suite 1500
Oklahoma City, OK 73102-8260

Attention: E.L. Buttross, Jr.

Administrative Order NSL-3455

Dear Mr. Buttross:

Reference is made to your application dated November 30, 1994, for three unorthodox oil well locations for the purpose of completing an efficient injection/production pattern within your East Shugart Waterflood Project Area, established by Division Order No. R-3769 dated May 28, 1969.

The following three wells are to be located in either Section 34 or 35, Townships 18 South, Range 31 East, NMPM, Shugart (Yates-Seven Rivers-Queen-Grayburg) Pool, East Shugart Unit Area, Eddy County, New Mexico.

<i>Well No.</i>	<i>Footage Location</i>	<i>Section</i>	<i>Unit</i>	<i>Dedicated 40-Acre Tract</i>
63	1800' FSL - 1600' FEL	34	J	NW/4 SE/4
70	330' FSL - 280' FWL	35	M	SW/4 SW/4
72	1650' FSL - 1150' FWL	35	L	NW/4 SW/4

VILLAGRA BUILDING - 408 Gallisteo

Forestry and Resources Conservation Division
P.O. Box 1948 87504-1948
827-5830

Park and Recreation Division
P.O. Box 1147 87504-1147
827-7465

2040 South Pacheco

Office of the Secretary
827-5950

Administrative Services
827-5925

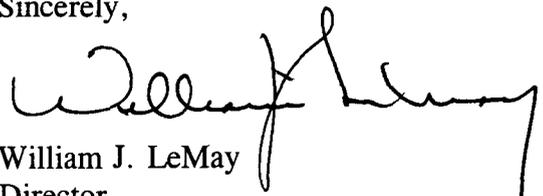
Energy Conservation & Management
827-5900

Mining and Minerals
827-5970

Oil Conservation
827-7131

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

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay". The signature is fluid and cursive, with a long, sweeping underline that extends to the right and then curves down towards the "cc:" line.

William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Artesia
US Bureau of Land Management - Carlsbad