



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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

February 12, 1996

Devon Energy Corporation (Nevada)
c/o Hinkle, Cox, Eaton, Coffield & Hensley, P.L.L.C.
Attention: James Bruce
P.O. Box 2068
Santa Fe, NM 87504-2068

Administrative Order NSL-3630

Dear Mr. Bruce:

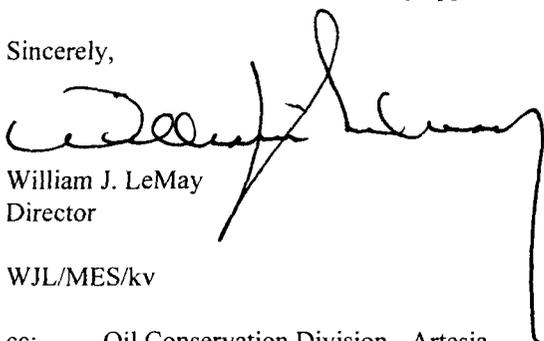
Reference is made to your application on behalf of the operator, Devon Energy Corporation (Nevada), dated January 3, 1996, for a non-standard oil well location for its proposed Cactus "9-O" Federal Well No. 1 to be drilled 397 feet from the South line and 2451 feet from the East line (Unit O) of Section 9, Township 21 South, Range 26 East, NMPM, East Catclaw Draw-Delaware Pool, Eddy County, New Mexico. Lot 5 (the SW/4 SE/4 equivalent) of said Section 9 is to be dedicated to said well to form a standard 40.60-acre oil spacing and proration unit.

The geologic interpretation submitted with this application indicates that a well drilled at the proposed unorthodox oil well location will be at a more favorable geologic position within the Delaware formation than a well drilled at a location considered to be standard.

The application has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10533, issued by the Oil Conservation Commission in Case 11,351 on January 18, 1996.

By the authority granted me under the provisions of Division General Rule 104.F(2), the above-described unorthodox oil well location is hereby approved.

Sincerely,


William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Artesia
U. S. Bureau of Land Management - carlsbad