



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

March 11, 1998

Devon Energy Corporation
20 North Broadway - Suite 1500
Oklahoma City, Oklahoma 73102-8260
Attention: Randy Jackson

Administrative Order NSL-3970(SD)

Dear Mr. Jackson:

Reference is made to the following: (i) Devon Energy Corporation's ("Devon") original application to the Division, dated January 21, 1998; (ii) the Division's initial response to said applications by letter from Mr. Michael E. Stogner dated February 3, 1998; (iii) Devon's refiling of said application dated February 11, 1998; and, (vi) the records of the Division in Santa Fe: all concerning Devon's request for an unorthodox "infill" oil well location within an existing standard 40-acre oil spacing and proration unit comprising the SE/4 NE/4 (Unit H) of Section 17, Township 17 South, Range 31 East, NMPM, Grayburg-Jackson Pool, Eddy County, New Mexico. Said 40-acre unit is currently dedicated to Devon's: (i) V. L. Foster Well No. 3 (API No. 30-015-05202) located at a standard oil well location 2310 feet from the North line and 990 feet from the East line of said Section 17; and, (ii) V. L. Foster Well No. 10 (API No. 30-015-29647) located at a standard oil well location 1950 feet from the North line and 480 feet from the East line of said Section 17.

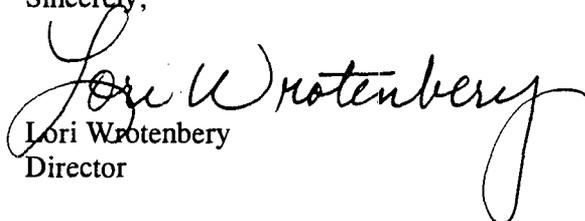
The subject application has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of Division General Rule 104.F(2), the following described well to be drilled at an unorthodox "infill" oil well location within the SE/4 NE/4 (Unit H) of said Section 17 is hereby approved:

V. L. Foster Well No. 11
1600' FNL - 1050' FEL
(API No. 30-015-29648)

Further, Grayburg-Jackson oil production from the V. L. Foster Well Nos. 3, 10, and 11 is to be simultaneously dedicated to the subject 40-acre tract.

Sincerely,


Lori Wrottenberg
Director

LW/MES/kv

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