

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joa ma Prukop
Cab inelSecretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

April 14, 2007

Devon Energy Production Company, L.P. do Mr. Ken Gray
20 North Broadway
0klahoma City, OK 73102-8260



Administrative Order NSL-5601

Re: Catclaw Draw Unit Com Well No. 16 API No. 30-015-23753 Unit E, Section 13, Twsp 21S, Range 25E

Unit E, Section 13, Twsp 215, Range 25E

Eddy County

Dear Mr. Gray:

Reference is made to the following:

- (a) your application (administrative application reference No. pCLP07-07823488) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on March 13, 2007, and
 - (b) the Division's records pertinent to your request.

Devon Energy Production Company, L.P. (Devon) has requested to re-complete its Catclaw Draw Unit Com. Well No. 16 at an unorthodox Upper Pennsylvanian gas well location, 2310 feet from the North line and 990 feet from the West line (Unit E) of Section 13, Township 21 South, Range 25 East, N.M.P.M., in Eddy County, New Mexico. The N/2 of Section 13 will be dedicated to this well to form a standard 320-acre gas spacing unit in the Wildcat Catclaw Draw Upper Penn Gas Pool (96691). Spacing in this pool is governed by statewide Rule 104.C(2), which requires that a well be located at least 660 feet from a unit boundary. The proposed location is less than 660 feet from the southern boundary of the proposed unit.

Your application has been duly filed under the provisions of Division Rules 104.F and 1210.A(2).

It is our understanding that Devon is seeking this location exception in order to utilize an existing wellbore that was originally completed in the Morrow formation.

It is also understood that notice of this application has been given to all affected persons in all of Section 13, in accordance with Rule 1210.

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

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

Sincerely,

Mark E. Fesmire, P.E.

Director

MEF/db

cc: New Mexico Oil Conservation Division - Artesia

2/1/5-22

New Mexico State Land Office - Santa Fe