

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

August 13, 2007

Devon Energy Production Company, L.P.
20 North Broadway
Oklahoma City, Oklahoma 73102-8260

Attention: Mr. Brett Hudson

Re: **Strawberry 7 Federal Com Well No. 2**
API No. 30-015-32375
1300' FNL & 1750' FEL, Unit B,
Section 7, T-19 South, R-31 East, NMPM,
Eddy County, New Mexico

Administrative Order NSL-5663

Dear Mr. Hudson:

Reference is made to the following:

(a) Devon Energy Production Company, L.P.'s ("Devon" or "applicant") application for a non-standard well location (*administrative application reference No. pCLP0719845385*) for the Strawberry 7 Federal Com Well No. 2 that was submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico on July 16, 2007; and

(b) the Division's records pertinent to your request.

The applicant requests approval of an unorthodox oil well location for its existing Strawberry 7 Federal Com Well No. 2 in the North Hackberry-Bone Spring Pool (Oil – 97056) which is located 1300 feet from the North line and 1750 feet from the East line (Unit B) of Section 7, Township 19 South, Range 31 East, NMPM, Eddy County, New Mexico. The NW/4 NE/4 of Section 7 is to be dedicated to the well in the North Hackberry-Bone Spring Pool forming a standard 40-acre oil spacing and proration unit.

The North Hackberry-Bone Spring Pool is currently governed by Division Rule No. 19.15.3.104(B).

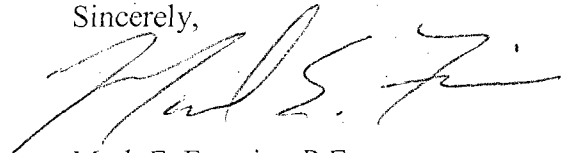
Evidence submitted by the applicant demonstrates that the Strawberry 7 Federal Com Well No. 2 was originally drilled as a Morrow test well at a standard gas well location, and that the well will now be re-completed to the Bone Spring interval.

The applicant has provided notice of this application to all affected offset operators and/or interest owners. No party has entered an objection to this application within the 20-day waiting period prescribed by Division Rule 19.15.3.104(F).

Division records show that there are no other wells producing from the North Hackberry-Bone Spring Pool within the NW/4 NE/4 of Section 7.

Pursuant to the authority granted under the provisions of Division Rule 19.15.3.104.F(2), the above-described unorthodox oil well location in the North Hackberry-Bone Spring Pool is hereby approved.

Sincerely,

A handwritten signature in black ink, appearing to read 'M.E. Fesmire', is written over the word 'Sincerely,'.

Mark E. Fesmire, P.E.
Division Director

MEF/drc

cc: OCD-Artesia
Bureau of Land Management-Carlsbad