



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

October 31, 2007

James Bruce
Attorney at Law
P.O. Box 1056
Santa Fe, NM 87501

RE: **Hawk 8D Federal Well No. 46**
1090 feet FNL & 280 feet FWL (Unit D) (Unorthodox)
NW/4NW/4 of Section 8, T-18 -S, R-27-E,
NMPM, Eddy County, New Mexico

Administrative Order NSL-5709

Dear Mr. Bruce:

Reference is made to the following:

(a) your application (**administrative application reference No. pTDS0727543535**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on October 3, 2007, on behalf of Devon Energy Production Company ("Devon"); and

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

Devon Energy Production Company requests to drill its Hawk 8D Federal Well No. 46 at an unorthodox Glorieta-Yeso oil well location as referenced above in Section 8, Township 18 South, Range 27 East, N.M.P.M., in Eddy County, New Mexico.

The NW4NW/4 of Section 8 will be dedicated to this well to form a standard 40-acre oil spacing and proration unit. Devon Energy Production Company intends to test the Glorieta-Yeso formation, Red Lake Glorieta-Yeso Pool. These pools are governed by the Division's Statewide Rules and Regulations which provide for wells on 40-acre spacing units to be located no closer than 330 feet to the outer boundary of the quarter-quarter section on which the well is located.

The well was previously completed in the Red Lake Queen-Grayburg-San Andres pool, and the unorthodox location was approved by Division Administrative Order NSL-3454.

Devon now proposes to deepen the well to the Glorieta-Yeso formation, the Red Lake Glorieta-Yeso Pool, and according requests an unorthodox location approval in this pool

Your application on behalf of Devon has been duly filed under the provisions of Division Rules 104. F. It is our understanding that the NW/4NW/4 and all the offsetting acreages in Sections 7 and 8 have interest ownership identical in all respects, therefore no notice of this application is required.

Pursuant to the authority granted under the provisions of Division Rules 104. F(2), the above-described unorthodox Red Lake Glorieta-Yeso oil pool location is hereby approved.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', with a long horizontal flourish extending to the right.

Mark E. Fesmire, P.E.
Director

MEF/re

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