



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



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GOVERNOR

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SANTA FE, NEW MEXICO 87504
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March 18, 1994

Devon Energy Corporation
20 North Broadway - Suite 1500
Oklahoma City, OK 73102-8260

Attention: E. L. Buttross, Jr.

Administrative Order NSL-3368

Dear Mr. Buttross:

Reference is made to your application dated March 10, 1994 for a non-standard oil well location for the purpose of completing an efficient production/injection pattern within the East Shugart Waterflood Project Area, established by Division Order No. R-3769, dated May 28, 1969.

It is our understanding that the proposed East Shugart Unit Well No. 49 is to be drilled 990 feet from the North line and 1500 feet from the East line (Unit B) of Section 35, Township 18 South, Range 31 East, NMPM, Shugart (Yates-Seven Rivers-Queen-Grayburg) Pool, East Shugart Unit Area, Eddy County, New Mexico.

Said well to be dedicated to the existing standard 40-acre oil spacing and proration unit comprising the NW/4 NE/4 of said Section 35, which is currently dedicated to the East Shugart Well No. 7, located at a standard oil well location 990 feet from the North line and 2310 feet from the East line of said Section 35.

By the authority granted me under the provisions of General Rule 104 F(1), the above-described unorthodox oil well location is hereby approved.

Sincerely,

A handwritten signature in black ink that reads "William J. LeMay / by WES".

William J. LeMay
Director

WJL/MES/ag

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