



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

January 29, 1996

Devon Energy Operating Corporation
20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

Attention: Karen Byers

Administrative Order NSL-3623

Dear Ms. Byers:

Reference is made to your application dated January 19, 1996 for a non-standard oil well location for the purpose of completing an efficient production/injection pattern within the Russell (Lease) Grayburg-Jackson Waterflood Project Area, established by Division Order No. R-3185, as amended by Order Nos. R-3185-A, R-3528, and R-3528-A.

It is our understanding that the proposed C. A. Russell Well No. 18 (**API No. 30-015-28794**) is to be drilled 330 feet from the North line and 1350 feet from the East line (Unit B) of Section 18, Township 17 South, Range 31 East, NMPM, Grayburg-Jackson Pool, Eddy County, New Mexico.

Said well is to be dedicated to the existing standard 40-acre oil spacing and proration unit comprising the NW/4 NE/4 of said Section 18 which is currently dedicated to the C. A. Russell Well No. 9 (**API No. 30-015-05222**), located at a standard oil well location 660 feet from the North line and 1980 feet from the East line of said Section 18.

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By the authority granted me under the provisions of Rule 104.F(2) of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10533, issued by the Oil Conservation Commission in Case 11,351 on January 18, 1996, the above-described unorthodox oil well location is hereby approved.

Sincerely,

A handwritten signature in cursive script that reads "William J. LeMay / by MES". The signature is written in dark ink and is positioned above the printed name and title.

William J. LeMay
Director

WJL/MES/kv

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