



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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

May 13, 1996

Devon Energy Operating Corporation
20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102-8260
Attention: E. L. Buttross, Jr.

Administrative Order NSL-3671

Dear Mr. Buttross:

Reference is made to your application dated April 18, 1996 for a non-standard oil well location for the purpose of completing an efficient production/injection pattern within the (Atlantic Richfield) West Red Lake Waterflood Project Area, established by Division Order No. R-3469, dated August 13, 1968.

It is our understanding that the proposed West Red Lake Unit Well No. 65 (API No. 30-015-28926) is to be drilled 1108 feet from the South line and 691 feet from the East line (Unit P) of Section 5, Township 18 South, Range 27 East, NMPM, Red Lake-Queen-Grayburg-San Andres Pool, West Red Lake Unit Area, Eddy County, New Mexico.

The SE/4 SE/4 of said Section 5 is to be dedicated to said well to form a standard 40-acre oil spacing and proration unit for said pool.

The application has been duly filed under the provisions of Rule 104.F 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.

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

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay", written over a horizontal line.

William J. LeMay
Director

WJL/MES/ky

cc: Oil Conservation Division - Artesia
U.S. Bureau of Land Management - Carlsbad