



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

January 5, 1998

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

Administrative Order NSL-3924

Dear Mr. Buttross:

Reference is made to your application dated June 23, 1997 for an unorthodox oil well location in the Red Lake Queen-Grayburg-San Andres Pool for the proposed Falcon "3-J" Federal Well No. 13 (API No. 30-015-29546) to be drilled 2310 feet from the South line and 2410 feet from the East line (Unit J) of Section 3, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico, whereby the NW/4 SE/4 of said Section 3 is to be dedicated to said well to form a standard 40-acre oil spacing and proration unit for said pool.

The subject 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").

Further, Lots 1 through 4, the S/2 NE/4, E/2 SW/4, and the N/2 SE/4 of said Section 3 is a single Federal lease (U.S. Government Lease No. LC-065478-B) in which Devon Energy Corporation is the operator; technically there are no affected offsets to the subject 40-acre tract other than Devon.

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 "Kathleen A. Garland".

Kathleen A. Garland
Acting Director

KAG/MES/kv

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