



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

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

March 11, 1998

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

*Administrative Order NSL-3969(SD)*

Dear Mr. Buttross:

Reference is made to the following: (i) Devon Energy Corporation's ("Devon") original applications to the Division, dated April 9 and July 23, 1997; (ii) the Division's initial response to said applications by letter from Mr. Michael E. Stogner dated January 6, 1998; (iii) Devon's response dated February 19, 1998; and, (vi) the records of the Division in Santa Fe: all concerning Devon's request for two unorthodox oil well locations for Red Lake Queen-Grayburg-San Andres Pool production within a standard 40-acre oil spacing and proration unit comprising the NE/4 NW/4 (Unit C) of Section 17, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico.

The subject applications have been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of Division General Rule 104.F(2), the following described wells to be drilled at unorthodox oil well locations for the Red Lake Queen-Grayburg-San Andres Pool within the NE/4 NW/4 (Unit C) of said Section 17 are hereby approved:

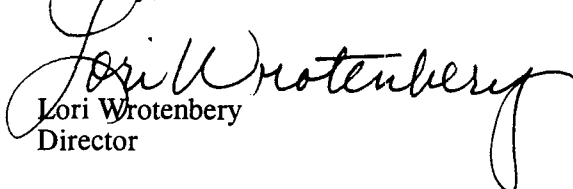
Hawk "17-C" Federal Well No. 1  
380' FNL - 1450' FWL  
(API No. 30-015-29514)

and

Hawk "17-C" Federal Well No. 2  
890' FNL - 2585' FWL  
(API No. 30-015-29726)

Further, both the proposed Hawk "17-C" Federal Well Nos. 1 and 2 are to be simultaneously dedicated to the subject 40-acre tract.

Sincerely,

  
Lori Wrotenberg  
Director

LW/MES/kv

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