

devon
ENERGY CORPORATION

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102-8260

Telephone: 405/552-4615
Fax: 405/552-8113

September 22, 1999

VIA CERTIFIED MAIL

RECEIVED

SEP 27 1999

Exxon Company, USA
396 W. Greens Road
Houston, TX 77067
Attn: Bill Duncan, Regulatory & Compliance

REGULATORY COMPLIANCE
HOUSTON PRODUCTION ORGANIZATION

RE: Eddy 'FV' State #4
S/2 Section 25-20S-27E
Eddy County, New Mexico

Gentlemen:

Devon Energy Corporation (Nevada) ("Devon") has recently filed a permit with the New Mexico Oil Conservation Division ("OCD") to drill the captioned well at a proposed unorthodox location of 660' FSL and 760' FEL, Section 25-T20S-R27E, Eddy County, New Mexico. The Eddy 'FV' State #4 will be drilled to approximately 11,500 feet to test the Morrow formation. The proposed location is unorthodox and must be granted an exception to the spacing rules. Under the 104.F (2) the OCD may grant administrative approval if the designated operator of any adjoining or diagonal spacing unit, to which the well will encroach, waives objection to the proposed location.

A successful response from you will eliminate the necessity to conduct a full OCD hearing on this matter and expedite our efforts. However, if you object to the location, your expression of opposition must be filed with the OCD within twenty (20) days from the date this notice was mailed.

Devon respectfully requests that you waive objection to the drilling of the Eddy 'FV' State #4 well at the proposed location and evidence your acceptance by executing and returning a copy of this letter to me at the above address.

Sincerely,

DEVON ENERGY CORPORATION (NEVADA)

Carla D. Wood
Carla D. Wood
Landman

cdw:mkbledly fv state #4.ltr-exxon
cnc.

*This waiver of objection is granted
contingent upon Devon's acceptance of providing
geological information as listed in
attached short form for the captioned well.
wtd 11/9/99*

AGREED TO AND ACCEPTED THIS 9th DAY OF November, 1999.

BY: William T. Duncan Jr.

TITLE: Staff Engineer