

State of New Mexico
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
Santa Fe, New Mexico 87505



OIL CONSERVATION DIVISION



February 23, 1995

Devon Energy Corporation (Nevada)
c/o Hinkle, Cox, Eaton, Coffield & Hensley
Attention: James Bruce
P.O. Box 2068
Santa Fe, NM 87504-2068

Administrative Order NSL-3486

Dear Mr. Bruce:

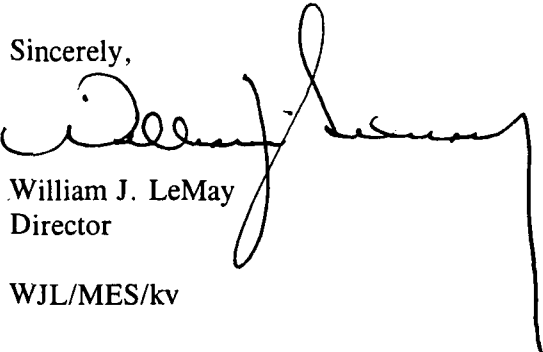
Reference is made to your application dated February 3, 1995 on behalf of the operator, Devon Energy Corporation (Nevada), for a non-standard oil well location for the Todd "13" Federal Well No. 14 to be drilled 330 feet from the South line and 2500 feet from the West line (Unit N) of Section 13, Township 23 South, Range 31 East, NMPM, to test the Undesignated Ingle Wells-Delaware Pool, Eddy County, New Mexico. It is our understanding the proposed Todd "13" Federal Well No. 14 is within the Oil/Potash "R-111-P" area, and is therefore subject to all applicable restrictions and rules therein. Further, it is our understanding the original location proposed by Devon Energy Corporation (Nevada) for this well, which was to be at a standard oil well location 660 feet from the South line and 1980 feet from the West line of said Section 13, was unacceptable to the U.S. Bureau of Land Management since:

"...the drilling of this well may result in undue waste of potash."

However, a move of 500 feet east would be acceptable.

By the authority granted me under the provisions of General Rule 104.F.(1), the above-described unorthodox oil well location is hereby approved. The SE/4 SW/4 of said Section 13 shall be dedicated to said well forming a standard 40-acre oil spacing and proration unit for said pool.

Sincerely,


William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Artesia
US Bureau of Land Management - Carlsbad
US Bureau of Land Management - Santa Fe (William C. Caulkins)

VILLAGRA BUILDING - 408 Galileo

Forestry and Resources Conservation Division
P.O. Box 1948 87504-1948
827-5830

Park and Recreation Division
P.O. Box 1147 87504-1147
827-7465

2040 South Pacheco

Office of the Secretary
827-5950

Administrative Services
827-5925

Energy Conservation & Management
827-5900

Mining and Minerals
827-5970

Oil Conservation
827-7131