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

July 16, 1998

Devon Energy Operating Corporation 20 North Broadway, Suite 1500 Oklahoma City, Oklahoma 73102 Attention: Karen Byers

Administrative Order NSL-4095

Dear Ms. Byers:

Reference is made to your application dated June 30, 1998 for a non-standard oil well location for the purpose of completing an efficient production/injection pattern between the Turner "A" (Lease) Grayburg-Jackson Waterflood Project Area and the Turner "B" (Lease) Grayburg-Jackson Waterflood Project Area, both established by Division Order No. R-3185, as amended by Order Nos. R-3185-A, R-3528, and R-3528-A.

It is our understanding that the proposed Turner "A" Well No. 61 (API No. 30-015-30211) is to be drilled 1050 feet from the North line and 25 feet from the East line (Unit A) of Section 19, Township 17 South, Range 31 East, NMPM, Grayburg-Jackson Pool, Eddy County, New Mexico.

The NE/4 NE/4 of Section 19 is to be dedicated to the well in order 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 current 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 No. 11351 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,

Lori Wrotenbery

Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia

U.S. Bureau of Land Management - Carlsbad