



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

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

April 22, 1999

Devon Energy Corporation (Nevada)  
c/o James Bruce  
P. O. Box 1056  
Santa Fe, New Mexico 87501

Telefax No. (505) 982-2151

*Administrative Order NSL-4268*

Dear Mr. Bruce:

Reference is made to the following: (i) an application filed by Devon Energy Corporation (Nevada) ["Devon"] dated July 15, 1997; and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe, including the file in Case No. 11966, which resulted in Division Order No. R-11162 dated April 13, 1999: all concerning Devon's request for an unorthodox oil well location in the Undesignated Red Lake (Queen-Grayburg-San Andres) Pool for its proposed Hawk "10-K" Federal Well No. 10 (API No. 30-015-29672) to be drilled 1550 feet from the South line and 2288 feet from the West line (Unit K) of Section 10, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico.

The NE/4 SW/4 of Section 10 is to be dedicated to this well in order to form a standard 40-acre oil spacing and proration unit within the Undesignated Red Lake (Queen-Grayburg-San Andres) Pool.

Further, the entire W/2 of Section 10 is a single Federal lease (United States Government Lease No. NM-025604) in which Devon is the leasehold operator; therefore, there are no effected offsets to the subject 40-acre tract other than Devon.

The application has been duly filed under the provisions of Division Rule 104.F.

By the authority granted me under the provisions of Division 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  
File: Case No. 11966