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October 27, 1998

Hand Delivered

Florene Davidson Oil Conservation Division 2040 South Pacheco Street Santa Fe, New Mexico 87505

Dear Florene:

Enclosed for filing in Case 12061, on behalf of Devon Energy Corporation (Nevada), are an original and two copies of an amended application for lease commingling, and a proposed advertisement. This matter was previously continued to the November 19, 1998 hearing. Thank you.

Very truly yours,

ames Bruce

Attorney for Devon Energy Corporation (Nevada)

PROPOSED ADVERTISEMENT

98 OCT 27 PH 3: 54

CASE 12061: Readvertised.

Application of Devon Energy Corporation (Nevada) for lease commingling, Eddy County, New Mexico. Applicant seeks an exception to Division Rule 309 to permit lease commingling of Red Lake Queen-Grayburg-San Andres Pool, Glorieta formation, and Yeso formation production from 12 wells to be drilled on Federal Leases LC 061783-A and LC 061783-B, collectively covering the W½SW¼ of Section 3 and the SE¼ of Section 4, Township 18 South, Range 27 East, NMPM, without separately metering production from each well or lease. Said leases are located approximately 9 miles southeast of Artesia, New Mexico. IN THE ABSENCE OF OBJECTION THIS CASE WILL BE TAKEN UNDER ADVISEMENT.