



ENERGY CORPORATION

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

Telephone 405/235-3611
FAX 405/552-4550

June 7, 1994

Certified Mail No. P 005 347 015

RECEIVED

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87504-2088

JUN 13 '94

O. C. D.
ARTESIA, OFFICE

RE: East Shugart Unit #45
Non-Standard Location Approval

Gentlemen:

Devon Energy Corporation has determined our proposed East Shugart Unit #45, located 2550' FSL and 580' FWL of Section 35-T18S-R31E in Eddy County, is an unorthodox location. The APD was submitted with the location listed incorrectly as 2250' FSL. Enclosed is a plat of the East Shugart Unit showing the Unit's boundaries and the wells within; copy of Form 3160-3 with attachments and copy of corrected form C-102.

The East Shugart Unit is a federal unit (#14-08-0001-11572) and the proposed well is to be part of this active waterflood project. The wells offsetting the proposed location are owned and operated by Devon, therefore, no other notification is necessary.

If you have any questions, please contact the undersigned at (405) 235-3611, X4509.

Sincerely yours,

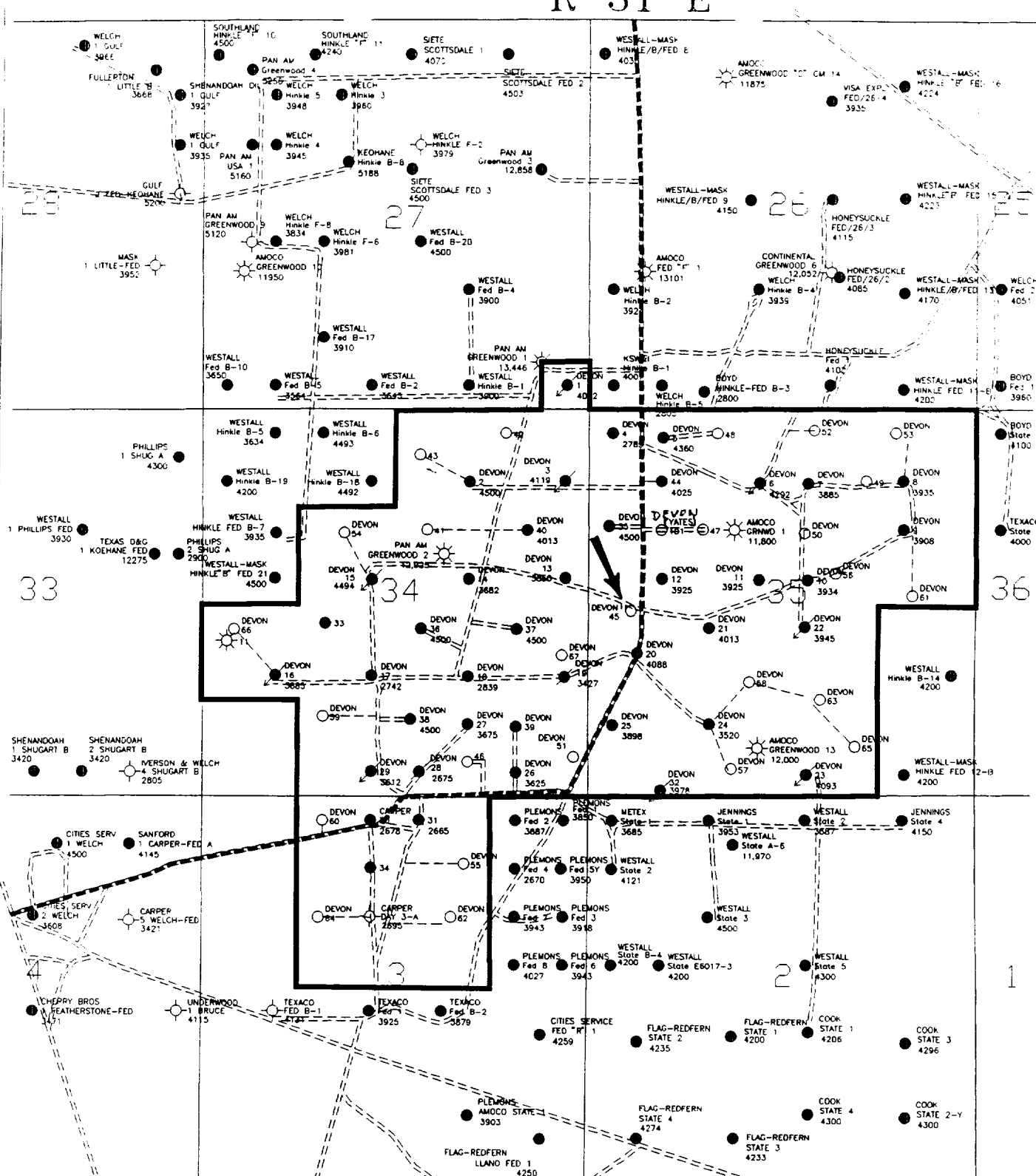
DEVON ENERGY CORPORATION (NEVADA)

Mr. E.L. Buttross, Jr.
District Engineer

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Enclosures

cc: Oil Conservation Division - Artesia, NM
Bureau of Land Management - Carlsbad, NM



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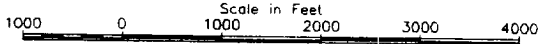


EAST SHUGART UNIT

EDDY COUNTY, NEW MEXICO

EXHIBIT 3

Scale in Feet



3/94