



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

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

May 15, 2000

**Louis Dreyfus Natural Gas Corporation
14000 Quail Springs Parkway B Suite 600
Oklahoma City, Oklahoma 73134-2600
Attention: Joe W. Hammond**

Telefax No. (405) 749-6662

AMENDED Administrative Order NSL-3761-A

Dear Mr. Hammond:

Reference is made to the following: (i) your application dated April 25, 2000, which was received by the New Mexico Oil Conservation Division's ("Division") office in Santa Fe on May 1, 2000; and (ii) the Division's records, including the file on Administrative Orders NSL-3761 and 3761-A and Division Case No. 11692: all concerning Louis Dreyfus Natural Gas Corporation's ("Louis Dreyfus") request to amend a previously approved order by the Division of an unorthodox oil well location by expanding the vertical limits of the provisions in this order to include the Wolfcamp formation.

Division Administrative Order NSL-3761-A, dated February 24, 1999, authorized Louis Dreyfus to recomplete the existing McKittrick "29" Federal Com. Well No. 22 (**API No. 30-015-29351**) up-hole into the Delaware formation (Undesignated Happy Valley-Delaware or Filaree-Delaware Pool) and Bone Spring formation at an unorthodox oil well location for both intervals within a standard 40-acre oil spacing and proration unit comprising the SW/4 NW/4 (Unit E) of Section 29, Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico, 1715 feet from the North line and 1160 feet from the West line (Unit E) of Section 29.

The Division understands that while testing the Wolfcamp interval Louis Dreyfus encountered oil production. Pursuant to Division **Rule 104.B (1) (b)**, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999, this location is also considered to be unorthodox for Wolfcamp oil production within a standard 40-acre oil spacing and proration unit comprising the SW/4 NW/4 (Unit E) of Section 29.

This application has been duly filed under the provisions of Division **Rule 104.F**; therefore, by the authority granted me under the provisions of Division **Rule 104.F (2)**, the above-described unorthodox Wolfcamp oil well location within this 40-acre unit is hereby approved.

All provisions of Division Administrative Order NSL-3761-A shall remain in full force and effect until further notice.

Amended Administrative Order NSL-3761-A
Louis Dreyfus Natural Gas Corporation
May 15, 2000
Page 2

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

Handwritten signature of Lori Wrotenberg in cursive script.

Lori Wrotenberg
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia
U. S. Bureau of Land Management - Carlsbad
File: NSL-3761-A
NSL-3761
Case No. 11692