

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

GARY E. JOHNSON
GOVERNOR

JENNIFER SALISBURY
CABINET SECRETARY

OCTOBER 2, 1997

ORDER NO. DD-A-6

Mr. W. Thomas Kellahin
Kellahin and Kellahin
(Louis Dreyfus)
P.O. Box 2265
Santa Fe, New Mexico 87504-2265

Re: APD-Directional Drill McGruder Federal No. 1
SHL 1930' FWL & 280' FSL
BHL 710' FSL & 1650' FEL
SEC. 13, T-22s, R-25e
Eddy County, New Mexico

Dear Mr. Kellahin:

Louis Dreyfus is hereby authorized to drill the McGruder Federal No. 1 as a Directional Drill. Additional State approval will not be required as long as the bottom hole location / producing interval is within the set back rules (1650' from end and 660' from side boundaries).

OIL CONSERVATION DIVISION



TIM W. GUM
DISTRICT II SUPERVISOR.