



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

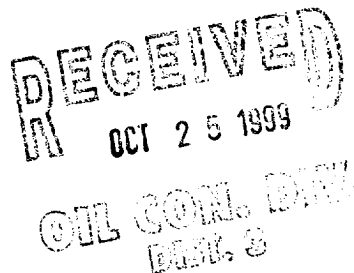
Farmington Field Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401



IN REPLY REFER TO
NMNM-0468126
3180 (07100)

October 22, 1999

Mr. Doug Endsley
Elm Ridge Resources, Inc.
312 W. La Plata Street
Farmington, NM 87401



Re: Sundry approval and acceptance of completion report

Dear Mr. Endsley:

We have received the State of New Mexico Oil Conservation Division (NMOCD) order R-11253 approving a non-standard 320 acre spacing and proration unit in the Basin Fruitland Coal Gas Pool comprising the SW/4 of section 28 and the NW/4 of section 33, T29N, R13W for the Callow No. 7 well. We were withholding approval of the sundry notices and completion report that detailed your work on the Callow No. 7 well until we received this order. The sundry notices and completion report have been approved and accepted for record and forwarded to the NMOCD. The Callow No. 7 is no longer ordered to remain shut-in.

If you have any questions regarding this correspondence, please contact Joe Hewitt at (505) 599-6365.

Sincerely,

/s/ Joe Hewitt

Joe Hewitt
Acting Team Lead, Petroleum Management Team

cc:
Mr. Ernie Bush
New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, NM 87410

New Mexico Oil Conservation Division
2040 Pacheco Street
Santa Fe, NM 87503