



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

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

December 17, 1997

Maralo Inc.  
P.O. Box 832  
Midland, Texas 79702-0832

Attention: Ms. Dorothea Logan

Re: Extension of Administrative Order No. SWD-652  
Barnes "20" Well No. 1  
Unit C, Section 20, Township 9 South, Range-35 East, NMPM  
Lea County, New Mexico

Dear Ms. Logan:

As per your request dated December 4, 1997, and for the reasons cited in your request, Division Order No. SWD-652, which was to expire January 22, 1998 in the event the Barnes "20" Well No. 1 has not been converted to a disposal well, is hereby extended until January 22, 1999.

All other provisions of Division Order No. SWD-652 shall remain in full force and effect.

Sincerely,

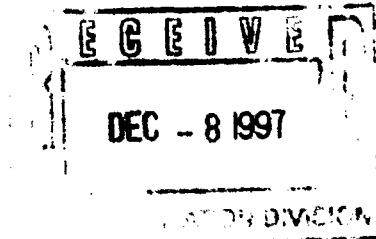
A handwritten signature in black ink, appearing to read "Kathleen A. Garland".

Kathleen A. Garland  
Acting Director

xc: OCD-Hobbs  
File-SWD-652



CERTIFIED MAIL - Z 296 584 283  
RETURN RECEIPT REQUESTED



December 4, 1997

New Mexico Energy, Minerals  
& Natural Resources Department  
Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505

Attention: Engineering Bureau

RE: Commencement Extension Request  
Administrative Order SWD-652  
Barnes "20" Lease, Well #1  
Lea County, New Mexico

Gentlemen:

Maralo, Inc. hereby requests that the above salt water disposal order which is dated January 22, 1997 and terminates January 22, 1998, be extended for an additional year.

The saltwater disposal conversion project and subsequent injection operations have been postponed due to landowner legal delays. These issues are in the process of settlement.

Your consideration of this request will be appreciated.

Sincerely,

A handwritten signature in cursive script, reading "Dorothea Logan". The signature is fluid and elegant, with a long, sweeping underline.

Dorothea Logan  
MARALO, INC.  
Regulatory Analyst