



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

February 15, 2005

Mr. James Bruce
Attorney at Law
Post Office Box 1056
Santa Fe, New Mexico 87504

Dear Mr. Bruce:

Based upon the reasons stated in your letter of February 14, 2005, and in accordance with the provisions of Division Order No. R-12240, Chi Energy, Inc. is hereby granted an extension of time until April 1, 2005, in which to commence the drilling of the well pooled by this order.

Sincerely,

Mark E. Fesmire, P.E.
Director

fd/

cc: ✓ Case No. 13382
OCD - Artesia

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)
(505) 660-6612 (Cell)
(505) 982-2151 (Fax)

jamesbruc@aol.com

RECEIVED

FEB 15 2005

**OIL CONSERVATION
DIVISION**

February 14, 2005

Mark E. Fesmire, P.E.
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505


Re: Case No. 13382/Order No. R-12240; Application of Chi
Energy, Inc. for compulsory pooling, Eddy County, New
Mexico

Dear Mr. Fesmire:

The well commencement deadline in the above order is March 1, 2005. The rig to be used on the well is currently drilling a well nearby, but drilling is taking longer than anticipated. Therefore, Chi Energy, Inc. requests that the commencement deadline be extended to April 1, 2005.

Thank you for your consideration of this matter.

Very truly yours,



James Bruce

Attorney for Chi Energy, Inc.