New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson Governor

Joanna Prukop Cabinet Secretary Reese Fullerton Deputy Cabinet Secretary Mark Fesmire Division Director Oil Conservation Division



June 13, 2008

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 June 13, 2008, and in accordance with the provisions of Division Order No. R-12713, Pride Energy Company is hereby granted an additional extension of time until September 15, 2008 in which to complete the well pooled by this order.

Sincerely,

Mark E. Fesmire, P.E. Director

fd/ cc: Case No. 13825 OCD – Hobbs



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June 13, 2008

Via fax

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

> Re: Order No. R-12713/Case No. 13825 Pride Energy Co. N½NE¼ §9-11S-33E/Lea County, New Mexico

Dear Mr. Fesmire:

The above pooling order provided for Pride Energy Co. to re-enter the Bagley Well No. 1 to attempt a (Permo-Penn) completion, and if it was not successful to commence a new well (the Bagley Well No. 3). The re-entry was attempted, but Pride Energy Co. was unable to successfully complete Well No. 1. As a result, it has commenced Well No. 3. The pooling order, as extended, requires Pride Energy Co. to complete the well(s) covered by the order by June 15, 2008. Due to the recent commencement of Well No. 3, Pride Energy Co. requests until September 15, 2008 in which to complete the well.

Very truly yours,

James Bruce

James Bruce

Autorney for Pride Energy Co.