



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

February 18, 1999

Shahara Oil, LLC
207 W. McKay
Carlsbad, New Mexico 88220

Attn: Mr. Perry L. Hughes

Re: Request for Extension of Implementation Period for Division Orders No R-11027 and R-11027-A.

Dear Mr. Hughes:

My staff has reviewed your request to extend the implementation period on the above referenced Division Orders. Providing that all conditions contained in the orders remain the same and there are no wells drilled in the area of review, the expiration date of the R-11027 is hereby extended to October 28, 2000.

In the event any drilling activity occurs in the subject area of review, Shahara Oil, LLC will notify the supervisor of the Artesia District office and the Division office. An administrative review of the permit will be conducted, and the status of the permit will be determined.

All other provisions and conditions of Division Orders No R-11027 and R-11027-A, and Division Rules 706 and 1120 shall remain in full force and effect.

Sincerely,

Lori Wrotenbery
Director

LS/MWA/kv

cc: Oil Conservation Division - Artesia
Case No. 11973, WFX-756