



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

January 21, 1999

Mr. Thomas Kellahin
Kellahin and Kellahin
Attorneys at Law
P. O. Box 2265
Santa Fe, New Mexico 87504-2265

Dear Mr. Kellahin:

Based upon the reasons stated in your letter of January 20, 1999, and in accordance with the provisions of Division Order No. R-11088, Nearburg Exploration Company, L.L.C. is hereby granted an extension of time until April 1, 1999, in which to begin drilling the well pooled by this order.

Sincerely,


LORI WROTENBERY
Division Director

fd/

cc: Case No. 12072
OCD - Artesia

KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

W. THOMAS KELLAHIN*

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

TELEPHONE (505) 982-4285
TELEFAX (505) 982-2047

January 20, 1999

HAND DELIVERED

Ms. Lori Wrotenberg, Director
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Re: Request of Nearburg Exploration Company, L.L.C.
for Extension of Date for Commencement of Well
Pursuant to Compulsory Pooling Order R-11088
Case 12072 (Poco Mesa "26" Federal Com Well No. 1)
N/2 Section 26, T18S, R24E, NMPM
Eddy County, New Mexico

OIL CONSERVATION DIV
99 JAN 20 PM 12:25

Dear Ms. Wrotenberg:

On behalf of Nearburg Exploration Company, L.L.C. ("Nearburg") and in accordance with the provisions of the referenced order (copy enclosed), I am requesting a 60-day extension to the commencement date for subject well and in support state:

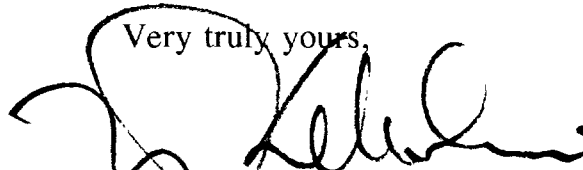
- (1) The order was entered effective November 18, 1998 and provided that this well shall be commenced on or before February 1, 1999;
- (2) This period amounts to 74 days instead of the "normal" 90-day period;
- (3) Nearburg is still negotiating a surface right of way for this well
- (4) An extension to April 1, 1999 will afford Nearburg with a reasonable opportunity to complete its negotiations without incurring additional costs.

Oil Conservation Division

January 20, 1999

Page 2.

Should you grant this extension, I have enclosed for your consideration a proposed letter which will authorize the requested extension. Should you decide to deny this request, I would appreciate being advised immediately so that Nearburg can timely file to re-instate this pooling order which will otherwise expire.

Very truly yours,

W. Thomas Kellahin

cc: David R. Catanach (NMOCD Hearing Examiner)

cc: Nearburg Exploration Company, L.L.C.

Attn: Mike Gray

January __, 1998

W. Thomas Kellahin
Kellahin & Kellahin
P. O. Box 2265
Santa Fe, New Mexico 87501

Re: Approval of Request for Extension of Date to Commence
Operations on the Poco Mesa "26" Federal Com Well No.1
Order R-11088 Case 12072

Dear Mr. Kellahin:

Based upon good cause shown in your written request dated January 20, 1999, and in accordance with the provisions of Division Order R-11088 and the authority retained by the Division therein, Nearburg Exploration Company, L.L. C. is hereby granted an extension of time until April 1, 1999 in which to commence the drilling of the Poco Mesa "26" Federal Com Well No. 1 located in the N/2 of Section 26, T18S, R24E, NMPM, Eddy County, New Mexico.

Sincerely,

Lori Wortenberg
Director