

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

August 22, 2000

Ms. Mona Binion Land Manager McElvain Oil & Gas Properties, Inc. 1050 17th Street, Suite 1800 Denver, Colorado 80265

Dear Ms. Binion:

Based upon the reasons stated in Steve Jordan's letter of August 21, 2000, and in accordance with the provisions of Division Order No R-11392, McElvain Oil & Gas Properties, Inc. is hereby granted an extension of time until December 9, 2000, in which to commence drilling the well pooled by this order.

Sincerely,

LORI WROTENBERY Division Director

fd/

cc: Case No. 12412

OCD - Aztec

McElvain Oil & Gas Properties, Inc.

1050 17¹¹ STREET, SUITE 1800

DENVER, COLORADO 80265

TELEPHONE 505/982-1935 EXT.115

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August 21, 2000

New Mexico Oil Conservation Division Attention: Ms. Lori Wrotenbery 2040 South Pacheco Santa Fe, New Mexico 87505

Re: NMOCD Case No. 12412; Order No. R-11392 Request for Extension to Commence Drilling Badger Com 10 #1 Well S/2 10-25N-2W Rio Arriba County, New Mexico

Dear Ms. Wrotenbery:

McElvain Oil & Gas Properties, Inc. was granted authority for compulsory pooling for the proposed Badger Com 10 #1 well by Order No. R-11392, dated June 8, 2000.

Paragraph (3) of the order provided that McElvain must commence drilling of the proposed well on or before September 9, 2000.

Due to the unavailability of drilling rigs in the area at this time, McElvain is respectfully requesting an extension of time in which to commence said drilling, to December 9, 2000.

Your consideration in this regard is greatly appreciated. Should you have any questions, please contact the undersigned at 474-5302 (Santa Fe). Please send any written correspondence in this regard to the attention of Mona Binion, Land Manager, at the address above.

Very truly yours,

Steve Jordan Contract Landman

(505) 474-5302 (Santa Fe)

xc: Mona Binion, Land Manager

McElvain Oil & Gas Properties, Inc.