



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

October 24, 2007

Jimmie D. Carlile
Fasken Oil & Ranch, Ltd.
PO Box 5061
Midland, TX 79704

Re: JM Denton Well No. 9 (API No. 30-025-05283)

1980 FSL 990 FWL Section 11, Township 15 South, Range 37 East, Lea County, New Mexico
Administrative Order SWD-1018 approved 29 December 2005
Saltwater injection into the Pennsylvanian at 9700 to 10150 feet

Dear Mr. Carlile:

You have requested an extension of this injection permit beyond the one year deadline to commence injection. For the reasons outlined in the attached correspondence, the deadline to commence injection is hereby extended until December 29, 2007.

Fasken Oil & Ranch, Ltd. ("Fasken") has taken over as operator of this well from Legacy Reserves Operating, LP who took over operations from Brother's Production Company. Fasken satisfies the inactive well limits in the Division's Rule 40 and is eligible for new injection permits. It is our understanding the ownership within the Area of Review for this well has not changed since the original permit application was received and no new wells have been drilled. The bradenhead survey of this well is being done at this time and Fasken is responsible for repairs to the bradenhead(s) if flows are discovered prior to injection into this well. The other pre-conditions specified in Order SWD-1018 have been complied with.

All requirements of Order No SWD-1018 remain in full force and effect.

The injection authority for this well shall expire on December 29, 2007, if the operator has not commenced injection operations.

Sincerely,

MARK E. FESMIRE, P.E.

Director

cc: Oil Conservation Division – Hobbs
File: SWD-1018