



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Betty Rivera

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

October 31, 2002

Calpine Natural Gas Company
Tabor Center
1200 17th Street, Suite 770
Denver, Colorado 80202

Attention: Mr. Hugo Cartaya

Re: Extension of Division Order No. SWD-823
Roosevelt Well No. 1 (API No. 30-045-26458)
Unit I, Section 22, T-30 North, R-14 West, NMPM,
San Juan County, New Mexico

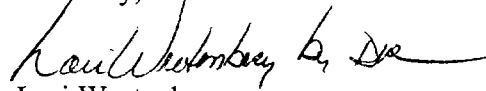
Dear Mr. Cartaya:

Reference is made to your request dated October 8, 2002, for an extension of time in which to convert the Roosevelt Well No. 1 to a disposal well, as authorized by Division Order No. SWD-823 dated January 4, 2002.

Pursuant to the provisions of Order No. SWD-823, injection operations were to have commenced within this well by January 4, 2003, unless the operator requests an extension from the Division.

For the reasons outlined in your letter, Calpine Natural Gas Company is hereby granted an extension until January 4, 2004, in which to convert the above-described well to injection.

Sincerely,


Lori Wrotenbery
Director

Xc: SWD-823
OCD-Aztec

CALPINE

October 8, 2002

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Attention: Director Lori Wrotenbery

Director Wrotenbery,

On November 30, 2001, Calpine Natural Company applied to complete the Roosevelt #1 (API No. 30-045-26458) for Salt Water Disposal. On January 4, 2002, the State of New Mexico approved the application for such action.

Due to the extraordinarily low gas prices, Calpine Natural Gas Company decided not to drill any wells in the area, which would produce water when emplaced to be disposed in the Roosevelt #1 SWD well. As a result, the well has not been converted to SWD.

Calpine Natural Gas Company anticipates drilling the well in 2003, which will require the conversion of the Roosevelt #1 to SWD.

Calpine Natural Gas Company respectfully requests a one-year extension of the approved application to convert the Roosevelt #1 to SWD.

Please let me know if I need to do anything else.

Sincerely,



Hugo Cartaya
Rocky Mountain Production Manager