

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT



BILL RICHARDSON
Governor

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

21 April 2004

Saga Petroleum Limited Liability Co. 415 West Wall, Suite 1900 Midland, Texas 79701

RE: Pit Pern

Pit Permit Required -

30-015-33844

Goodnight "35" Federal #2

440 FSL & 660 FWL

SEC-35 T-23S R-29E

The Oil Conservation Division of Artesia is in receipt of your application to drill. Construction of a pit(s) for the purpose of drilling may not commence until the requirements of O.C.D. Rule 19.15.2.50 (Pit and Below-Grade Tanks) are satisfied.

If I may be of any assistance, please feel free to call (505) 748-1283 ext. 109.

Sincerely,

Van Barton