

February 10, 2006

Mr. Stephen Mason Bureau of Land Management Farmington Field Office 1235 La Plata Highway, Suite A Farmington, NM 87401

RE: NMSF-079352A et al. (WC) 3162.3-2 (21110)

Dear Mr. Mason,

We received your letter dated January 11, 2006, regarding the No. 1 South Blanco Coal 22, located 1307' FNL & 720' FEL, Section 22, T24N, R8W, San Juan County, New Mexico, NMNM-23233.

This well is currently on our rig schedule for formation evaluation operations. Based on the current schedule, we are anticipating completion of this work no later than March 24, 2006. We respectfully request until that date to provide the Bureau of Land Management with our plans for this well. At that time we will submit a subsequent report of the completed work. If we are unable to return this well to production, we will submit our plans to plug and abandon this wellbore.

Sincerely,

Scott H. Lindsay

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District Reservoir Engineer Elm Ridge Exploration, LLC

505-632-3476 ext. 202

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