

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



February 09, 2009

Thomas Kellahin
Kellahin & Kellahin
Attorney at Law
706 Gonzales Road
Santa Fe, New Mexico 87501

RCVD FEB 17 '09
OIL CONS. DIV.

DIST. 3

Dear Mr. Kellahin:

By the Division Order No. R-12987 issued in Case No. 14156 on September 3, 2008, San Juan Resources, Inc. was granted authority to commence the drilling of the Blancett Ranch 24 Well No. 1 (API No. 30-045-33769) on or before November 30, 2008.

By letter dated November 18, 2008, the Division extended the commencement of drilling this well to February 28, 2009. By letter dated February 5, 2009, San Juan Resources, Inc. requested a second extension for additional ninety (90) days to commence the drilling of the Blancett Ranch 24 Well No. 1 due to unforeseen circumstances.

San Juan Resources, Inc. is hereby granted a second extension to commence the drilling of this well on or before August 29, 2009. Should the drilling of the well not be commenced on or before August 29, 2009, the Division Order No. 12987 shall expire ipso facto.

Sincerely,

Mark E. Fesmire, P.E.
Director

MEF/re

Cc: Case No. 14156
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