



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

July 30, 2007

Terry Lindeman
Elm Ridge Resources, Inc.
20 CR 5060
PO Box 156
Bloomfield, NM 87413

Re: Extension of Administrative Order SWD-907

Dear Mr. Lindeman:

Administrative Permit Order SWD-907 approved the Lybrook Yard WDW Well No. 1 (API No. 30-039-27533) for injection of salt water into the Point Lookout member of the Mesaverde formation.

Previously, the deadline to begin injection was extended to August 1, 2006.

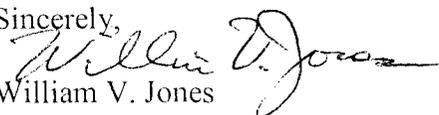
As per your request on behalf of Elm Ridge Resources, Inc., and for the reasons outlined, the deadline to commence injection is extended until August 1, 2008.

It is our understanding the ownership within the Area of Review for this well has not changed since the original permit application was received.

Provided: The operator shall not begin injection into this well until all pre-conditions contained in the original order are complied with.

The injection authority for this well shall expire on August 1, 2008, if the operator has not commenced injection operations.

Sincerely,


William V. Jones
Engineer

cc: Oil Conservation Division – Aztec
Bureau of Land Management - Farmington
File: SWD-907

Jones, William V., EMNRD

From: Terry Lindeman [tlindeman@elmridge.net]

Sent: Monday, July 30, 2007 4:02 PM

To: Jones, William V., EMNRD

Subject: Lybrook disposal Well

Yard SWD-907 12/5/03 Point Lookout 4575-4775

Will,

On Monday May 1, 2006 the **LYBROOK WDW #1** (API # 30-039-27533) disposal well was completed. On or about May 10,2006 Elm Ridge pumped @ 600 bbls of fluid to test the injection pressure following the completion. The filters and pumps were ordered and took several months longer than expected to be completed. We received them in early 2007 and were set and ready for operation, however now there is a hold up with the electric company to hook up power for operations. We are expecting this to occur in the next month or so. As per our conversation last week I am not aware of any activity in the area that would affect the permit. I this continues to drag on waiting for power please let me know at what point I should request an extension.

Thanks for your assistance on this matter.

Terry Lindeman
District Superintendent
Elm Ridge Exploration Co.
505-632-3476 ext 210

*2 wells in 1/2 mile
1 P&A Nancy 14-1
1 OIL LYBROOK SOUTH 1
+ notes*

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