New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Brett F. Woods, Ph.D. Acting Cabinet Secretary J. Daniel Sanchez Acting Division Director Oil Conservation Division



March 7, 2011

Mr. Mike Hill Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210-1471

Re: Administrative Order SWD-1204

Huapache SWD Well No. 1 (API 30-015-21248) 660 FSL, 2245 FEL, Unit O, Sec 30, T25S, R25E, NMPM, Eddy County Injection into the Devonian formation, Depths: 12800 to 13000

You have submitted a request on behalf of Yates Petroleum Corporation, for an extension of this disposal permit beyond the one year deadline to commence injection for the reasons outlined in the attached correspondence.

The Division finds that granting this request to extend this injection permit is in the interest of conservation and will prevent waste and protect the environment.

All requirements of the above referenced injection permit and agreements in the application remain in full force and effect.

The deadline to commence injection is hereby extended until March 1, 2012.

J. DANIEL SANCHEZ

J. DANIEL SANCHE

Cc: Oil Conservation Division – Artesia File: SWD-1204