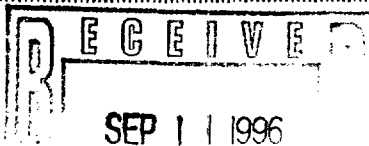


TOCO LLC Trainer Oil Co.

P. O. Box 888 Hobbs, New Mexico 88241 (505) 392-7050



September 9, 1996

Attention: Benjamin Stone
Petroleum Engineering Specialist
Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Re: Extension for Implementation Period for SWD-520

Gentlemen:

We are requesting an extension of time for implementation for the referenced permit. We have now obtained the required federal right-of-way to lay a pipeline to gather water for disposal in the proposed SWD well. We are now in the process of selling the prospect to investors and need to have this done before proceeding with the work. We anticipate this will be completed within the next six months.

Attached is an updated map of the one-half mile radius area of review. Your review of this request is appreciated. If you have any questions, please do not hesitate to call or write.

Sincerely,

TOCO, L.L.C.

Keith Moore/dm → 1-800-305-6755
Keith Moore

/dm

Attachments



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

September 12, 1996

Ms. Deborah McKelvey
TOCO, L.L.C.
P.O. Box 888
Hobbs, New Mexico 88241-0888

RE: Extension of Division Order SWD-520.

Dear Ms. McKelvey,

Reference is made to your recent request for an extension period in which to implement operations as permitted by Division Order SWD-520. My staff has considered your request and, as this is the third request for an extension, pursuant to Rule 705.C., we feel a limited extension is justified at this time.

Division Order SWD-520 is hereby extended for a period of six months. The permit will expire on April 1, 1997. If injection has not been implemented by this date, the authority for injection shall terminate ipso facto. If this occurs, you may be required to submit additional data and other justification to have Division Order SWD-520 reinstated.

Sincerely,

WJL
William J. LeMay
William J. LeMay
Director

WJL/BES

cc: Oil Conservation Division - Hobbs
File: SWD-520