

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor Joanna Prukop Cabinet Secretary

August 18, 2004

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

Mr. James Bruce Attorney at Law Post Office Box 1056 Santa Fe, New Mexico 87504

Dear Mr. Bruce:

Based upon the reasons stated in your letter of August 15, 2004, and in accordance with the provisions of Division Order No. R-12095, Leede Operating Company, L.L.C. is hereby granted an additional extension of time until September 30, 2004, in which to commence drilling the well pooled by this order.

Sincerely,

Mark E. Fesmire, PE, JD Director

fd/

Case No. 13171 cc: OCD - Hobbs

JAMES BRUCE ATTORNEY AT LAW

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August 15, 2004

Mark E. Fesmire Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505

> Case No. 13171 and Order No. R-12095; Application of Re: Leede Operating Company, L.L.C. for compulsory pooling, Lea County, New Mexico

Dear Mr. Fesmire:

The Division has granted applicant an extension until September 1, 2004 to commence the well. Applicant again requests an extension of the well commencement deadline, to September 30, 2004. Applicant intends to commence the well as soon as possible, but is waiting on a rig. Therefore, an extension is needed to prevent the order from lapsing.

Thank you for your consideration of this matter.

Very truly yours,

James Bruce

Attorney for Leede Operating Company, L.L.C.

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