



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

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

March 25, 2005

Mr. William F. Carr
Holland & Hart
Attorneys at Law
Post Office Box 2208
Santa Fe, New Mexico 87504-2208

Dear Mr. Carr:

Based upon the reasons stated in your letter of March 25, 2005, and in accordance with the provisions of Division Order No. R-12252, Matrix New Mexico Holdings, L.L.C. is hereby granted an extension of time until July 1, 2005, in which to commence the drilling of the well pooled by this order.

Sincerely,

Mark E. Fesmire, P.E.
Director

fd/

cc: ✓ Case No. 13357
OCD - Hobbs



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March 25, 2005

HAND DELIVERED

Mark E. Fesmire, P. E.
Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Oil Conservation Division Case No. 13357: Application of Matrix New Mexico Holdings, L.L.C. for compulsory pooling, Lea County, New Mexico.

Dear Mr. Fesmire;

On January 3, 2005, the Division entered Order No. R-12252 which granted the application of Matrix New Mexico Holdings, L.L.C. in the above-referenced case pooling all uncommitted interests from the surface to the base of the Wolfcamp formation underlying the NE/4 NE/4 of Section 10, Township 13 South, Range 38 East, NMPM, Lea County, New Mexico. This pooled unit is to be dedicated to the applicant's Townsend Well No. 1A to be drill at a standard well location 530 feet from the North line and 330 feet from the East line (Unit A) of Section 10.

Order R-12252 provides that in the event Matrix does not commence re-entry operations on the well on or before April 1, 2005, this pooling order shall be of no effect unless Matrix obtains a time extension from the Division Director for good cause shown.

Matrix plans to drill the Townsend Well No. 1A but has encountered delays in obtaining a rig and has determined that it will not be able to commence drilling prior to April 1, 2005. Since it will be unable to commence drilling prior to the current deadline set by this pooling order, Matrix New Mexico Holdings, L.L.C. hereby request an extension of Order No. R-12252 from April 1, 2005 until July 1, 2005.

Your attention to this request is appreciated.

Very truly yours,

William F. Carr

cc: Mr. Fred Bryla
Matrix New Mexico Holdings, L.L.C.