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jamesbruc@aol.com

August 16, 2005

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

> Case No.13466/Order No. R-12354/JTD Resources, LLC Re:

Dear Mr. Fesmire:

One of the parties pooled by the above order was Chevron U.S.A. Inc. However, JTD Resources, LLC and Chevron U.S.A. Inc. have now reached voluntary agreement, and the order is no longer effective against Chevron U.S.A. Inc.

Very truly yours,

attorney for JTD Resources, LLC

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NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop

Cabinet Secretary

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

August 16, 2005

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 16, 2005, and in accordance with the provisions of Division Order No. R-12354, JTD Resources, L.L.C. is hereby granted an extension of time until October 31, 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. 13466 OCD – Hobbs

2005 AVG 16 AM 11 53

JAMES BRUCE ATTORNEY AT LAW

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jamesbruc@aol.com

August 16, 2005

Hand Delivered

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

Re:

Order No. R-12354/JTD Resources, LLC

Order No. R-12364/JTD Resources, LLC

Dear Mr. Fesmire:

JTD Resources, LLC hereby requests that the well commencement deadlines in the above orders be extended, as follows:

Order No. R-12354: Extend from August 31, 2005 to October 31, 2005

Order No. R-12364: Extend from September 10, 2005 to September 30, 2005

The reasons for the request are as follows: JTD Resources, LLC intends to drill the wells back-to-back. The Round-Up Well No. 1 (Order No. R-12354) was to be drilled first. However, the surface owner is obstructing entrance to the drillsite, and an injunction may need to be obtained in District Court. Therefore, a two month extension is requested for that well.

JTD Resources, LLC now plans to commence the Salem Well No. 1 (Order No. R-12364) first. Patterson Drilling had informed my client that the rig would move this week, but a few days ago said the rig wouldn't move onto location until August 30th. Just to be safe, JTD Resources, LLC requests a twenty day extension, in case the rig move is delayed again.

Thank you for your consideration of this matter.

Very truly yours,

James Bruce

Attorney for JTD Resources, LLC