New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson Governor

Joanna Prukop Cabinet Secretary Reese Fullerton Deputy Cabinet Secretary Mark Fesmire Division Director Oil Conservation Division



December 8, 2008

Scott Hall Montgomery & Andrews P. O. Box 2307 Santa Fe, New Mexico 87504-2307

Dear Mr. Hall:

Based upon the reasons stated in your letter of December 5, 2008, and in accordance with the provisions of Division Order No. R-12973, Encore Operating, L.P. is hereby granted an extension of time until June 19, 2009 in which to complete the well pooled by this order.

Sincerely,

Mark E. Fesmire, P.E. Director

fd/ cc: Case No. 14097 OCD – Hobbs





J. SCOTT HALL Cell: (505) 670 7362 VED Email: shall@montand.com Reply To: Santa FeD ffice PT 3 26 www.montand.com

December 5, 2008

Mr. Mark Fesmire, Director New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505 Hand Delivered

Re: NMOCD Case No. 14097; Application of Encore Operating, LP for Compulsory Pooling, Lea County, New Mexico; Order No. R-12973

Dear Mr. Fesmire:

On behalf of Encore Operating, LP, we respectfully request a six month extension of time to complete the Encore State Com Well No. 1 (API No. 30-025-038510) based on the following grounds.

Order No. R-12937 was issued on July 17, 2008. Decretal paragraph 5 of the order provides that the pooling order expires if the well is not "drilled to completion" within 120-days after commencement. The well was commenced on August 21, 2008. Rig-release occurred on October 10, 2008. The well was drilled to total depth but has not yet been completed. Encore would have until December 19, 2008 to complete the well.

In the near future, Encore anticipates a transfer of operations to a new operator which will perform the completion in a diligent manner. It is not anticipated that the well will be abandoned.

Encore Operating, LP accordingly requests a six-month extension of time of Order No. R-12973 to June 19, 2009 for the completion of the referenced well.

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REPLY TO: 325 Paseo de Peralta Santa Fe, New Mexico 87501 Telephone (505) 982-3873 • Fax (505) 982-4289

Post Office Box 2307 Santa Fe, New Mexico 87504-2307 6301 Indian School Road NE, Suite 400 Albuquerque, New Mexico 87110 Telephone (505) 884-4200 • Fax (505) 888-8929

Post Office Box 36210 Albuquerque, New Mexico 87176-6210 Mark Fesmire December 5, 2008 Page 2

Thank you for your consideration of this request.

Very truly yours,

MONTGOMERY & ANDREWS, P.A.

1.) wy real

J. Scott Hall

JSH:kw

cc: Zack Brittain, Encore Operating LP