NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

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

March 22, 1999

Mr. William F. Carr Campbell, Carr, Berge & Sheridan Attorneys at Law P. O. Box 2208 Santa Fe, New Mexico 87504-2208

Dear Mr. Carr:

Based upon the reasons stated in your letter of March 19, 1999, and in accordance with the provisions of Division Order No. R-11138, Shackelford Oil Company is hereby granted an extension of time until August 15, 1999, in which to begin drilling the well pooled by this order.

Sincerely,

ZORI/WRÖTENBERY Division Director

fd/

cc: Case No. 12103

OCD - Hobbs

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March 19, 1999

HAND DELIVERED

Lori Wrotenbery, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Re: Case No. 12103: Application of Shackelford Oil Company for compulsory pooling, Lea County, New Mexico

Dear Ms. Wrotenbery:

On January 7, 1999, the Division entered Order No. R-11138 which granted the application of Shackelford Oil Company in the above-referenced case and pool all mineral interests from the surface to the base of the Delaware formation under the SE/4 SE/4 of Section 3, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico. This pooled unit is to be dedicated to the Tonto Federal Well No. 3 which Shackelford proposes to drill at a standard location in the SE/4 SE/4 of Section 3.

Order R-11138 provides that in the event Shackelford does not commence drilling operations on or before May 15, 1999, this pooling order shall be of no further effect unless Shackelford obtains a time extension from the Division Director for good cause shown. The purpose of this letter is to request an extension of Order No. R-11138.

Shackelford Oil Company intends to drill the subject well pursuant to this compulsory pooling order but has encountered delays due to restrictions on drilling in this area during the prairie chicken booming season. It is therefore necessary for Shackelford Oil Company to request an extension of Order No. R-11138 from May 15, 1999 to August 15, 1999.

Lori Wrotenbery, Director Oil Conservation Division New Mexico Department of Energy, Minerals and Natural Resources March 19, 1999 Page 2

Your attention to this request is appreciated.

Very truly yours,

WILLIAM F. CARR

WFC:mlh

cc: Don Shackelford