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January 18, 2002,

Via Facsimile

Lori Wrotenbery, Director Oil Conservation Division 1220 St. Francis Santa Fe, New Mexico 87504

Re: YOUR FILE NUMBER NSL-4557

Last Extension Request Ryleybart Federal #1 Application of Elm Ridge Resources, Inc. For Compulsory Pooling N/2 of Section 24, Township 26 North, Range 13 West, NMPM Case No. 12620, Order No. R-11560, San Juan County, N.M.

Dear Ms. Wrotenbery:

The Bureau of Indian Affairs has recently approved our permit to drill the Ryleybart Federal #1 a few weeks ago. We now have all the permit approval necessary to begin construction operations for the captioned well. The problem is that the rig will not be on location until late next month. As such, we must request another extension of the captioned forced pool proceeding. The last extension expires at the end of January.

Because of the above condition, we are asking for approval of a two-month extension to secure the necessary approval of said well's APD (April 1, 2002), and have plenty of time to schedule a rig.

Please advise if we need to do anything further in this regard in order to secure the requested extension, to (April 1, 2002). Your assistance in this regard is appreciated.

Sincerely,

PH/mac

Patrick Hegarty, Agent

Elm Ridge Resources, Inc.

XC: Elm Ridge Resources – Jamie Clark Wrotenbery Extension 02 JAN 25 PH 3: 09