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November 1, 2001

<u>Via Facsimile</u>

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

Re: YOUR FILE NUMBER NSL-4557

Second 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 Navajo Tribe is expected to approve our permit to drill the Ryleybart Federal #1 well on November 15th. We need permit approval before we cannot begin construction operations for the captioned well. As such, we must request a second extension of the captioned forced pool proceeding. The first extension expires at the end of November.

The New Mexico Oil Conservation Division ("NMOCD") has ordered the drilling of the Ryleybart Federal well in Case No. 12620, Order No. R-11560, stating: that "the operator of the unit shall commence drilling the well on or before December 1, 2001, as amended.

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 (February 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 (February 1, 2002). Your assistance in this regard is appreciated.

Sincorely. Patrick Hegarty, Agent

Elm Ridge Resources, Inc.

PH/mac

XC: Elm Ridge Resources – Jamie Clark

Wrotenbery Extension