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SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

August 12, 2008

Bureau of Land Management  
Carlsbad Field Office  
620 E. Greene St.  
Carlsbad, NM 88220-6292

Attn: Mr. Duncan Whitlock

Re: Request for 90 Day Extension To Re-Activate or PXA  
South Justis Unit # C-13 G-21, G-25, H-15, I-19, and I-28  
Justis Field  
Lea County, NM.



Legacy Reserves Operating, LP requests a 90-day extension to the Bureau of Land Management's request for action on the 6 subject wells.

South Justis Unit # C-13 (API # 30-025-20544) - BLM Action Dates : 9/22/08 ✓  
South Justis Unit # G-21 (API # 30-025-11743) - BLM Action Dates : 5/28/08, 8/28/08 (1<sup>st</sup> Extension) ✓  
South Justis Unit # G-25 (API # 30-025-11754) - BLM Action Dates : 5/28/08, 8/28/08 (1<sup>st</sup> Extension) ✓  
South Justis Unit # H-15 (API # 30-025-25520) - BLM Action Dates : 5/28/08, 8/28/08 (1<sup>st</sup> Extension) ✓  
South Justis Unit # I-19 (API # 30-025-12419) - BLM Action Dates : 8/30/08 ✓  
South Justis Unit # I-28 (API # 30-025-12445) - BLM Action Dates : 9/22/08 ✓

Work plans have been submitted and approved by Legacy management and sundry notices have been filed with the BLM on all 6 required wells. Additionally, we have mailed requests for work approval to our partners but have not yet received their approval. The Joint Operating Agreement in effect for the South Justis Unit requires a 30 day approval period before proceeding with this type work. Based on our AFE mailout dates ranging from 7/18/08 thru 8/6/08 we should have complete approval on all 6 wells no later than 9/6/08. We anticipate starting this work around 9/1/08.

We realistically feel we can perform all of this specific work along with other regulatory related work we wish to voluntarily perform within the next 90 days, with your granting of this request. I have attached a spreadsheet showing the current status of each of the subject 6 wells, along with the status of the other work we plan on doing in the Justis Field and Langlie Mattix Field areas of S.E. New Mexico .

Originally, our intent was to perform only the work your office requested on the 6 subject wells. However, after more extensive review we have elected to address all of our shut-in and TA'ed wellbores in these two areas. As a result, this has caused us some delay in achieving completion of the 6 wells your office identified, as we have had to do more extensive engineering evaluation, request formal approval from partners and file regulatory Sundry notices with your office and the NMOCD. For your information, we have additionally come to agreement with the NMOCD on a plan of re-activating or plugging other non-active wells in these fields, those non-federal wells with either fee or state mineral interest.

#### Legacy Reserves

303 West Wall, Suite 1400 • Midland, Texas 79701 • P.O. Box 10848 • Midland, Texas 79702  
OFFICE 432-689-5200 • FAX 432-684-3774

For your information, Legacy plans on performing the well re-activations as we normally would with company personnel and contract service company vendors. However, we have contracted B.C.M and Associates, Inc. (Ben Montgomery-(432)-580-7161) to perform all of the plug and abandonments within this large project. Per our discussions with BCM, they intend on starting this plugging work in late-August or early-September, pending Legacy obtaining partner and regulatory approval. Once started, BCM intends on remaining on this project until final completion of the last well.

As mentioned above, Legacy has submitted sundry notices to the BLM and NMOCD on July 17, 2008, via overnight delivery. We would appreciate the BLM expediting our sundry approvals for all of this work.

We appreciate your understanding of our complexity and time burden of this project. Please feel free to call me if you have any questions at (432) 689-5218.

Sincerely,

A handwritten signature in black ink that reads "Kent Williams". The signature is written in a cursive, flowing style.

Kent Williams  
Petroleum Engineer

Xc: Sharon Bowersock

# **PROJECT STATUS - RE-ACTIVATIONS AND PLUG AND ABANDONMENTS - JUSTIS AND LANGLIE MATTIX FIELDS**

Legacy Reserves Operating, LP  
08/12/08

## **BLM REGULATORY**

<u>Well</u>	<u>Field</u>	<u>Description</u>	<u>BLM Deadline Date</u>	<u>BLM Est Start Date</u>	<u>Gross Cost-\$</u>	<u>Status</u>	<u>AFE Routing Start Date</u>	<u>AFE Mailout Date</u>	<u>WIO Approval Date</u>	<u>Rig Up Date</u>	<u>Rig Down Date</u>
SJU #G-21	Justis	Cmt Sqz, Cmt Csg & Frac & RTP	8/28/08	8/15/08	\$375,000	Wtg WIO Appr.	6/26/08	7/18/08	No	-	-
SJU #G-25	Justis	Plug & Abandon	8/28/08	9/15/08	\$35,000	Wtg WIO Appr.	7/3/08	7/18/08	No	-	-
SJU #H-15	Justis	Plug & Abandon	8/28/08	9/15/08	\$35,000	Wtg WIO Appr.	7/8/08	7/18/08	No	-	-
SJU #I-19	Justis	Plug & Abandon	8/30/08	10/1/08	\$35,000	Wtg WIO Appr.	7/11/08	7/18/08	No	-	-
SJU #C-13	Justis	Plug & Abandon	9/22/08	10/7/08	\$35,000	Wtg WIO Appr.	7/18/08	7/22/08	No	-	-
SJU #I-28	Justis	Frac & RTP	9/22/08	9/15/08	\$275,000	Wtg WIO Appr.	7/31/08	8/6/08	No	-	-
SJU #C-22	Justis	Frac & RTP (Orig. Recomm To PXA)	No	10/14/08	\$375,000	Wtg WIO Appr.	7/28/08	8/6/08	No	-	-
SJU #I-25	Justis	Frac & RTP	No	10/15/08	\$300,000	Wtg Legacy Appr.	8/4/08	-	No	-	-
Ida Wimberly #13	Justis	Plug & Abandon	No	9/2/08	\$30,000	Engr Eval Ongoing	-	-	No	-	-
WN Wimberly #1	Justis	Plug & Abandon	No	9/2/08	\$30,000	Pending Engr Eval	-	-	No	-	-

## **NMOCD REGULATORY**

			<u>NMOCD Deadline Date</u>	<u>NMOCD Est Start Date</u>	<u>Gross Cost-\$</u>	<u>Status</u>	<u>AFE Routing Start Date</u>	<u>AFE Mailout Date</u>	<u>WIO Approval Date</u>	<u>Rig Up Date</u>	<u>Rig Down Date</u>
LMPSU # 182	Langlie Mattix	Plug & Abandon	No	10/1/08	\$30,000	Pending Engr Eval	-	-	No	-	-
LMPSU #183	Langlie Mattix	Plug & Abandon	No	10/8/08	\$30,000	Pending Engr Eval	-	-	No	-	-
LMPSU #367	Langlie Mattix	Plug & Abandon	No	10/15/08	\$30,000	Pending Engr Eval	-	-	No	-	-

Total \$1,615,000

## **Note.**

Wtg WIO Appr. -Waiting On WIO Partner Approval  
Wtg Legacy Appr. -Waiting On Legacy Company Approval  
Engr Eval Ongoing -Engineering Evaluation Ongoing  
Pending Engr Eval -Pending Engineering Evaluation

South Justis Unit Wells #C-13, G-21, G-25, H-15, I-19 & I-28

**Legacy Reserves**

September 15, 2008

**Request for Extension**

**Condition of Approval**

1. 90 day extension is approved as of date of this request August 12, 2008
2. Notice of Intent for work to be done shall be approved prior to work being done
3. Subsequent report to be filed within 30 days of work being completed
4. After any completion and test of well, file completion report 3160-4 within 30 days
5. If a well goes off production for more than 30 days notify BLM by sundry within 5 business days
6. Follow all other COA's previously stated on Sundries