



August 12, 2008

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

Mr. Duncan Whitlock Attn:

Re:

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

Justis Field Lea County, NM. SEE ATTACHED FOR CONDITIONS OF APPROVAL

> **APPROVED** SEP 1 5 2008 /s/ JD Whitlock Jr

BUREAU OF LAND MANAGEMENT Request for 90 Day Extension To Re-Activate or PXA

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 (1st Extension)

South Justis Unit # G-25 (API # 30-025-11754) - BLM Action Dates : 5/28/08, 8/28/08 (1st Extension)

South Justis Unit # H-15 (API # 30-025-25520) - BLM Action Dates : 5/28/08, 8/28/08 (1st 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. 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.

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,

Kent Williams Petroleum Engineer

Kent Wiriam

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				BLM					WIO		
<u>Well</u>	<u>Field</u>	Description	Deadline Date	Est Start	Gross	Status	AFE Routing	AFE Mailout	Approval		Rig Down
SJU #G-21	Justis	Cmt Sqz, Cmt Csg & Frac & RTP	<u>Date</u> 8/28/08	Date	Cost-\$	Status	Start Data	<u>Date</u>	<u>Date</u>	<u>Date</u>	<u>Date</u>
SJU #G-25	Justis	Plug & Abandon		8/15/08	\$375,000	Wtg WIO Appr.	6/26/08	7/18/08	No	-	-
SJU #H-15		•	8/28/08	9/15/08	\$35,000	Wtg WIO Appr.	7/3/08	7/18/08	No	-	-
	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	_	-
lda 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	NMOCD					WIO		
NMOCD REGULATORY			Deadline	Est Start	Gross		AFE Routing	AFE Mailout	Approval	Rig Up	Rig Down
LMPSU # 182	Langlie Mattıx	Plug & Abandon	<u>Date</u> No	<u>Date</u> 10/1/08	<u>Cost-\$</u> \$30,000	<u>Status</u> Pending Engr Eval	Start Data -	<u>Date</u> -	<u>Date</u> No	<u>Date</u>	<u>Date</u>
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.
Wtg Legacy Appr.
Engr Eval Ongoing
Pending Engr Eval
-Waiting On WIO Partner Approval
-Waiting On Legacy Company Approval
-Engineering Evaluation Ongoing
- Pending Engineering Evaluation

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