



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



October 15, 2009

Merit Energy
13727 Noel Road, Ste 500
Dallas, TX 75240

Attn: Andy Nguyen

SUBJECT: GRANTED EXTENSION
MESCALERO RIDGE UNIT

Mr. Nguyen:

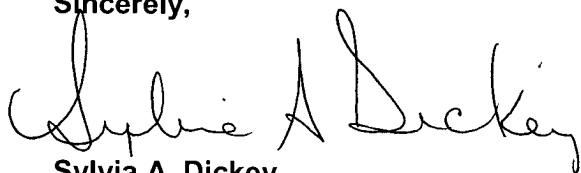
As per our conversation on October 15, 2009, an extension has been granted until November 24th, 2009. At that time, the progress and status of the wells will be reviewed by the State OCD District I Office. Any additional time needed will be considered.

Please apply the above extension for the following wells:

Mescalero Ridge Unit - #263, Unit Letter O, Sec. 26-T19S-R34E	- 025-21857
Mescalero Ridge Unit - #351, Unit Letter I, Sec. 35-T19S-R34E,	- " 20302
Mescalero Ridge Unit - #354, Unit Letter G, Sec. 35-T19S-R34E	- " 20692
Mescalero Ridge Unit - #356, Unit Letter C, Sec. 35-T19S-R34E	- " 20693
Mescalero Ridge Unit - #358, Unit Letter K, Sec. 35-T19S-R34E	- " 20695

If you have any additional questions, please call me at 575-370-3188.

Sincerely,



Sylvia A. Dickey
Field Compliance Officer/UIC Coordinator
Hobbs OCD District I Office

