



March 4, 2008

VIA HAND DELIVERY

Mr. Mark Fesmire, P. E.
Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

RECEIVED
MAR 04 PM 1:47

Re: Application of Fasken Oil and Ranch, Ltd. for authorization to inject, Avalon "10" Federal Well No. 42, located 1980 feet from the North line and 660 feet from the East line of Section 10, Township 21 South, Range 26 East, NMPM, Eddy County, New Mexico.

Dear Mr. Fesmire:

Yates Petroleum Corporation hereby objects to the above-referenced application filed by Fasken Oil and Ranch, Ltd. seeking authorization to inject produced water in the Avalon "10" Federal Well No. 42 located 1980 feet from the North line and 660 feet from the East line of Section 10, Township 21 South, Range 26 East, NMPM, Eddy County, New Mexico.

Pursuant to Division Rule 701, this application must be set for hearing before a Division Examiner in order to be further considered, as Yates has timely objected to this application. A copy of the C-108 received by Yates is enclosed for your information. Your attention to this matter is appreciated.

Sincerely,

Ocean Munds-Dry
Ocean Munds-Dry

cc: Kathy Porter, Yates Petroleum Corp.

Fasken Oil and Ranch, Ltd.
303 West Wall Suite 1800
Midland, Texas 79701

Enclosure