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NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

April 21, 1998

Mr. David R. Catanach
Hearing Examiner
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

HAND DELIVERED

Re: NMOCD Case 11877
Application of Fasken Land and Minerals, Ltd
for compulsory pooling and an
unorthodox oil well location,
Eddy County, New Mexico

Dear Mr. Catanach:

On behalf of Fasken Land and Minerals, Ltd, please find enclosed our
Supplemental Reply to Redstone's latest motion to dismiss.

Very truly yours,



W. Thomas Kellahin

cc: James Bruce, Esq.
Attorney for Redstone Oil & Gas Company
Fasken Oil and Ranch, Ltd.

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE APPLICATION
OF FASKEN LAND AND MINERALS, LTD.
FOR COMPULSORY POOLING AND AN
UNORTHODOX WELL LOCATION,
EDDY COUNTY, NEW MEXICO**

CASE 11877

**FASKEN LAND AND MINERALS, LTD'S
SUPPLEMENTAL REPLY TO
REDSTONE OIL & GAS COMPANY'S
MOTION TO DISMISS**

FASKEN LAND AND MINERALS, LTD. ("Fasken") by its attorneys, Kellahin & Kellahin, hereby supplements its reply to the Motion to Dismiss filed by Redstone Oil & Gas Company ("Redstone") on April 1, 1998 and asks the Division to deny the Motion to Dismiss

As grounds for its reply, Fasken states the following:

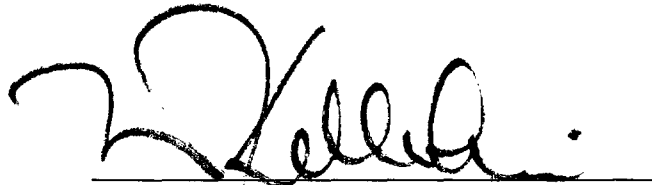
(1) Redstone has moved to dismiss Fasken's compulsory pooling case based upon a contention that Fasken "cannot maintain any judicial action in New Mexico until it has properly registered with the New Mexico Secretary of State as a foreign limited partnership." (NMSA 1978, Section 54-2-55)

(2) Fasken Land and Minerals, Ltd. and Fasken Oil and Ranch, Ltd. ("Fasken") are in compliance NMSA 1978, Section 54-2-55, having properly registered with the Secretary of State in accordance with NMSA 1978, Section 54-2-51. **See Exhibits "A" and "B" attached.**

CONCLUSION

There is no merit to Redstone's contention. Fasken requests that the Division deny Redstone's motion to dismiss and to proceed with entering an order on Fasken's compulsory pooling application.

Respectfully submitted,

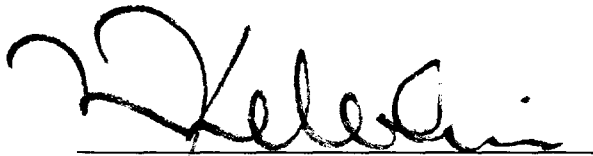
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W. Thomas Kellahin

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing pleading was mailed by regular mail to opposing counsel this 21st day of April, 1998 as follows:

James Bruce, Esq
P. O. Box 1056
Santa Fe, New Mexico 87504

A handwritten signature in black ink, appearing to read 'W. Thomas Kellahin', written over a horizontal line.

W. Thomas Kellahin

STATE OF NEW MEXICO



OFFICE OF THE

SECRETARY OF STATE

LPF1998040702

CERTIFICATE

I, STEPHANIE GONZALES, SECRETARY OF STATE FOR NEW MEXICO, DO HEREBY CERTIFY

that

FASKEN OIL AND RANCH, LIMITED PARTNERSHIP, a foreign limited partnership, has been filed in accordance with the provisions of section 54-2-49 NMSA, 1978 compilation. This item was filed on April 7, 1998 and will remain in effect until the limited partnership's registration is cancelled or withdrawn from the state.



GIVEN UNDER MY HAND AND THE GREAT SEAL OF THE STATE
OF NEW MEXICO, IN THE CITY OF SANTA FE, THE CAPITAL,
ON THIS 7th DAY OF April 1998 A.D.

Stephanie Gonzales

SECRETARY OF STATE

EXHIBIT

A

STATE OF NEW MEXICO



OFFICE OF THE

SECRETARY OF STATE

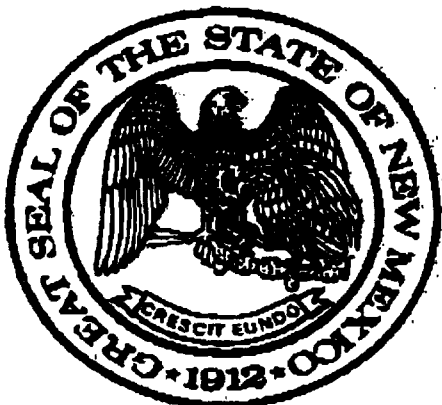
LPP1998040701

CERTIFICATE

I, STEPHANIE GONZALES, SECRETARY OF STATE FOR NEW MEXICO, DO HEREBY CERTIFY

that

FASKEN LAND AND MINERALS, LIMITED PARTNERSHIP, a foreign limited partnership, has been filed in accordance with the provisions of section 54-2-49 NMSA, 1978 compilation. This item was filed on April 7, 1998 and will remain in effect until the limited partnership's registration is cancelled or withdrawn from the state.



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