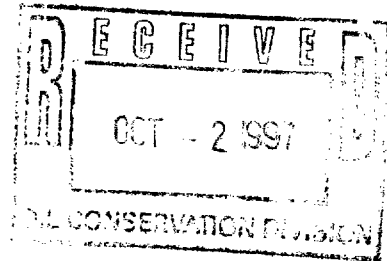


FASKEN OIL AND RANCH, LTD.

303 WEST WALL AVENUE, SUITE 1900
MIDLAND, TEXAS 79701-5116
(915) 687-1777

September 22, 1997

New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505



Re: Unorthodox Location Exception
Non- Standard Spacing Unit Exception
Fasken Oil and Ranch, Ltd.
Indian Hills Unit No.15
Indian Basin - Morrow Field
1300' FSL & 330' FWL
Sec.17, T21S, R24E
Eddy County, New Mexico

*Case
11878*

Dear Sir:

This letter is to advise that Hanagan Properties has been notified of the intention of Fasken Oil and Ranch, Ltd. to drill the Indian Hills Unit No.15 at an unorthodox location of 1300' FSL & 330' FWL, Section 17, T21S, R24E, Eddy County, New Mexico for completion in the Indian Basin- Morrow gas pool and Indian Basin-Strawn gas pool. We have no objection to the drilling of this well at the proposed location or the proposed non-standard unit of 320 acres.

Yours very truly,

Robert P. Hanagan
Hanagan Properties

BY: *Robert P. Hanagan*

DATE: 10/1/97

cc: Fasken Oil and Ranch, Ltd.
303 W. Wall Ave., Suite 1900
Midland, Texas 79701-5116