



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

February 2, 2006

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

Fasken Oil and Ranch, Ltd.
c/o W. Thomas Kellahin
P. O. Box 2265
Santa Fe, New Mexico 87504-2265

Telefax No. (505) 982-2047

Administrative Order NSL-4838-A

Dear Mr. Kellahin:

Reference is made to the following: (i) your application on behalf of the operator, Fasken Oil and Ranch, Ltd. ("Fasken") dated January 13, 2006 (*application reference No. pmes0-601357276*); and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe: all concerning Fasken's request for an unorthodox gas well location in the Wolfcamp formation, Undesignated Cemetary-Wolfcamp Gas Pool (74680) for its existing Howell "29" Com. Well No. 1 (**API No. 30-015-21140**), located 1980 feet from the North line and 2310 feet from the East line (Unit G) of Section 29, Township 20 South, Range 25 East, NMPM, Eddy County, New Mexico.

The N/2 of Section 29, being a standard 320-acre lay-down gas spacing unit for Undesignated Cemetary-Wolfcamp Gas Pool, is to be dedicated to this well.

It is our understanding that the subject well, which is currently being produced as a downhole-commingled completion in the South Dagger Draw-Upper Penn Associated (15475), North Indian Basin-Strawn (97013) and North Seven Rivers Hills-Atoka (97272), is to be abandoned in these pools and recompleted to the Wolfcamp formation.

This application has been duly filed under the provisions of Division Rule 19.15.3.104(F) and 19.15.14.1210(A)(2).

All interest owners in the proposed gas proration unit have been provided notice of this application, and no objection has been received by the Division.

By the authority granted me under the provisions of Division Rule 19.15.3.104.F(2), the above-described unorthodox gas well location in the Wolfcamp formation within this 320-acre unit comprising the N/2 of Section 29 is hereby approved.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

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Sincerely,



Mark E. Fesmire, P.E.
Director

MEF/drc

cc: New Mexico Oil Conservation Division - Artesia
U. S. Bureau of Land Management - Carlsbad