

KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

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W. THOMAS KELLAHIN*

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

November 9, 2001

HAND DELIVERED

Ms. Lori Wrotenbery, Director
Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Cameron 31 Federal Well No. 2.
2449 feet FNL and 408 feet FEL
N/2 Section 31, T20S, R25E, NMPM
Application of Fasken Oil and Ranch, Ltd.
for an Unorthodox Gas Well Location,
Eddy County, New Mexico

Case 12777

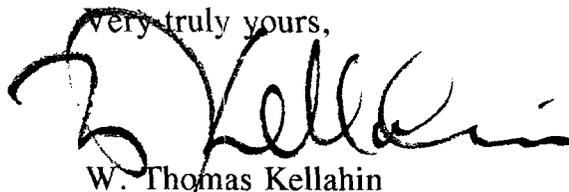
COPIES 6-10/01
10/10/01

Dear Ms. Wrotenbery:

On behalf of Fasken Oil and Ranch, Ltd., please find enclosed our referenced application which we request be set for hearing on the next available Examiner's docket now scheduled for December 6, 2001.

This case was originally filed administratively and Mr. Stogner has already written a revised advertisement for this case.

very truly yours,



W. Thomas Kellahin

cc: Fasken Oil and Ranch, Ltd.
Attn: Jimmie Carlile

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

**IN THE MATTER OF THE APPLICATION
OF FASKEN OIL AND RANCH, LTD
FOR AN UNORTHODOX GAS WELL,
EDDY COUNTY, NEW MEXICO**

CASE: 12777

APPLICATION

Comes now FASKEN OIL AND RANCH, LTD. ("Fasken") by and through its attorneys, KELLAHIN and KELLAHIN, and applies to the New Mexico Oil Conservation Division ("NMOCD") for an exception to the applicable gas well locations setback requirements governing all formations or pools from the surface to the base of the Morrow formation for its proposed Cameron 31 Federal Well No. 2 to be drilled at an unorthodox gas well location 2449 feet from the north line and 408 feet from the east line (Unit H) of Section 31, Township 20 South, Range 25 East, NMPM, to be dedicated to the following described spacing and proration units: (i) lots 1, 2 NE/4 and the E/2NW/4 (N/2 equivalent) of Section 31 to form a standard 319.40-acre gas spacing and proration unit for all formations or pools developed on 320-acre gas spacing, which presently includes but not necessarily limited to the Undesignated South Dagger Draw-Upper Pennsylvanian Associated Pool and the Cemetery-Morrow Gas Pool; and (ii) the NE/4 of Section 31 to form a standard 160-acre spacing and proration unit for all formations or pools developed on 160-acre spacing, which presently includes but is not necessarily limited to the Undesignated Cemetery-Wolfcamp Gas Pool.

In support thereof, Applicant states:

1. Fasken is the proposed operator of the Cameron "31" Federal Well No. 2 to be located 2449 feet from the north line and 408 east line (Unit H) of Section 31, T20S, R25E, Eddy County, New Mexico.
2. Fasken proposes to drill this well to a depth sufficient to test for gas and oil production from the surface to the base of the Morrow formation.

3. Under these circumstances, Division rules require wells to be located not closer than 660 feet to the outer boundary of the proposed spacing unit(s).

4. Fasken proposes to locate this well 193 feet from the southern boundary of a 320-acre spacing unit consisting of the N/2 of this Section. **See Exhibit "A"**

5. No impairment of the correlative rights of the owners in the S/2 of Section 31 occurs because:

(a) Section 31 consists of two federal oil & gas leases:

(i) one being the NE/4SE/4 of Section 31 held by The Winston Trust, Farrell L. Lines, Trustee with a 3.125 % ORR held by Farrell L. Lines; and

(ii) the other being the balance of the section held by Fasken with a 2.5% ORR each to Katherine V. Johnson and A. G. Andrikopoulos;

(b) these two federal leases have the same percentage of royalty;

(c) there is a communitization agreement dated March 15, 1974 which communitizes all of Section 31 for any Morrow production;

(d) there is a Joint Operating Agreement dated July 27, 1973 by which the working interest owners have consolidated their respective interests in Section 31;

(e) Fasken has entered into an agreement with the heir of Farrell L. Lines, deceased, the owner of a 3.125 % ORR in the NE/4SE/4 of this section, by which she has agreed to waive any right to receive an ORR for any production from this well.

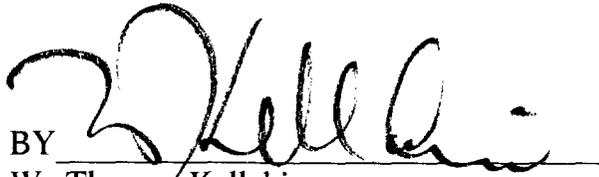
6. Because of a combination of topographic and geologic factors, this proposed location is the optimum location in the NE/4 of this section at which to drill to test for gas production.

7. Approval of this application will afford the applicant the opportunity to produce its just and equitable share of the gas underlying this unit, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells and will otherwise prevent waste and protect correlative rights.

8. Notification of this application has been sent to all adjoining and offsetting operators/owners towards who this location encroaches. **See Exhibit "B"**

WHEREFORE, Applicant requests that, after notice and hearing, this Application be approved as requested.

KELLAHIN and KELLAHIN



BY

W. Thomas Kellahin

P. O. Box 2265

Santa Fe, New Mexico 87504

(505) 982-4285

DISTRICT I
25 N. French Dr., Hobbs, NM 88240

DISTRICT II
1 South First, Artesia, NM 88210

DISTRICT III
30 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87506

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

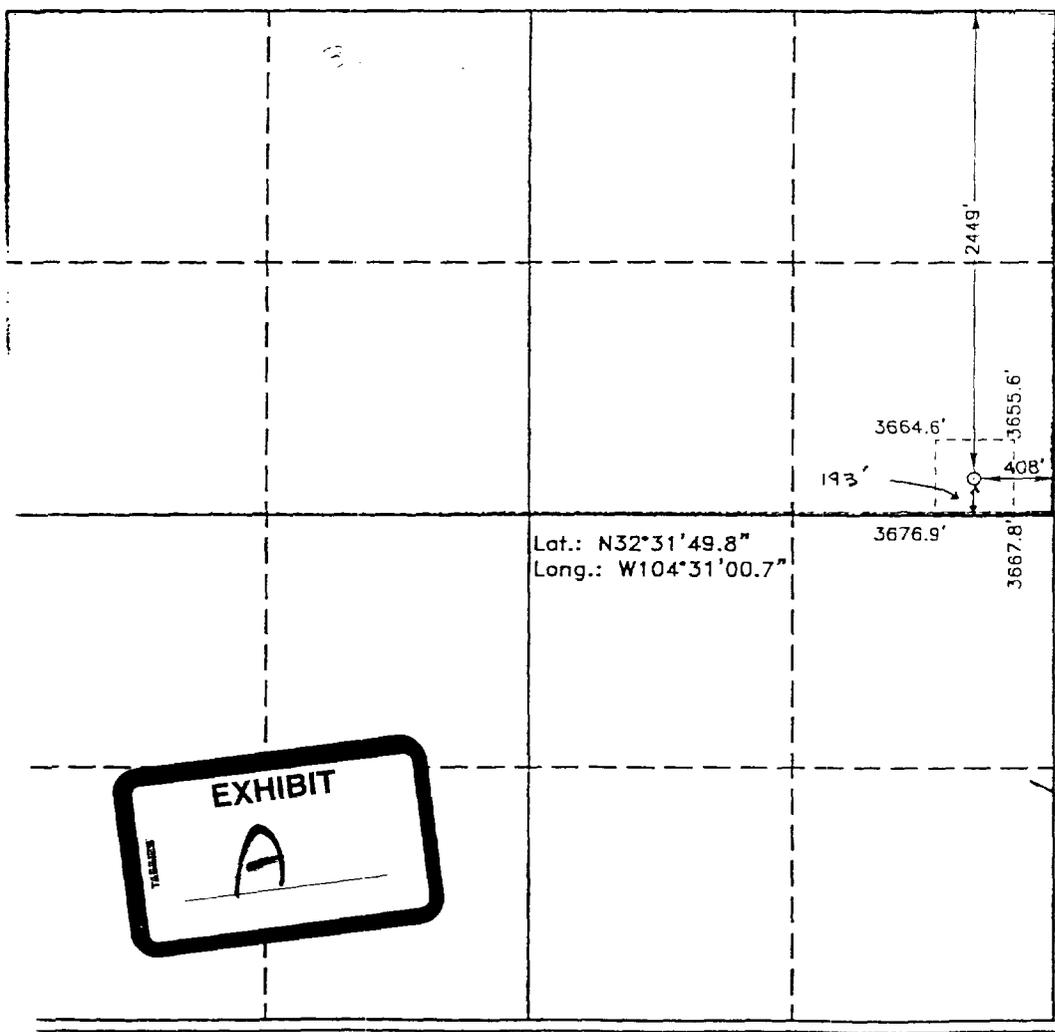
2040 South Pacheco
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code 74640		Pool Name Cemetery - Morrow					
Property Code		Property Name CAMERON "31" FEDERAL						Well Number 2	
OGRID No. 151416		Operator Name FASKEN OIL AND RANCH, LTD						Elevation 3666'	
Surface Location									
UL or lot No. H	Section 31	Township 20 S	Range 25 E	Lot Idn	Feet from the 2449	North/South line NORTH	Feet from the 408	East/West line EAST	County EDDY
Bottom Hole Location If Different From Surface									
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320		Joint or Infill	Consolidation Code	Order No. Com. Agreement SW-888					

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Tommy E. Taylor
Signature

Tommy E. Taylor
Printed Name

Drilling & Production Engineer
Title

10/10/01
Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.

OCTOBER 23, 2001
Date Surveyed

[Signature]
Signature & Seal of Professional Surveyor

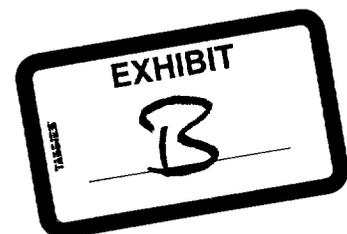
W.O. No. 1844

Certificate No. Gary Jones 7977

JLP
DAN BURVEYS

EXHIBIT
A

DESCRIPTION	OPERATOR	WI OWNERS
T20S; R24E		
Section 25: SE/4	Yates Petroleum Corp. 105 S. 4th Street Artesia, New Mexico 88210	S/2 CA NM-87880 covering the Canyon (Upper Penn) formation Yates is the operator. Yates also owns Operating Rights as to all depths other than the South Dagger Draw Upper Penn Associated Pool
Section 36: S/2	Marathon Oil Company P. O. Box 552 Midland, Texas 79702	
Section 36: N/2	Marathon Oil Company P. O. Box 552 Midland, Texas 79702	



PROPERTY	PROPERTY NAME	DK	A	MONTH	DESCRIPTION	OWNER	OWNER NAME	D.D.I.	RNSTS	EXMPT	P.TX	EXMPT	CST	SUBLEGR	AF
									9TDIC	CODES	CODES		CTR	NUMBER	CD
<u>ST1502</u>	State "32" Com #2	1	Y	*BASE*	RD/CURRENT Eff 1st sales gas										
					9999802 Fasken Land and Mine	0.65078120			YY	W	5		0		Y
					303 W. Wall Ave., Suite 1900										
					Midland		TX 79701		SS#	/Tax	Id:	75-2628257			
					BRO4011 Brooks Oil & Gas Int	0.01328120			YY	NWD			0		N
					P. O. Box 10162										
					Midland		TX 79702		SS#	/Tax	Id:	75-2515963			
					CHR4400 Christensen Petroleu	0.02343750			YY	NOD	5		0		N
					P. O. Box 3790										
					Midland		TX 79702-3790		SS#	/Tax	Id:	75-1430273			
					COM7002 Commissioner of Publ	0.12500000			YY	S#	5	P	0		N
					State of New Mexico										
					DO NOT MAIL CHECK-PMT. MADE BY										
					A/P ENTRY-VOID & RECON.THIS CK										
					HIL4500 Houston & Emma Hall	0.00918750			YY	NOD	5		0		N
					500 West Seventh Street										
					Suite 1802										
					Fort Worth		TX 76102-3865		SS#	/Tax	Id:	75-6254114			
					HIL5001 James R. Hill Family	0.00689060			YY	NOD	5		0		N
					Partnership										
					Suite 1802										
					500 W. 7th Str Unit 16										
					Ft. Worth		TX 76102-4772		SS#	/Tax	Id:	75-2911864			
					LAT6995 Glenn Lattimore Fami	0.00689060			YY	NOD	5		0		N
					Partnership										
					Suite 1802										
					500 W. 7th Str Unit 16										
					Ft. Worth		TX 76102-4772		SS#	/Tax	Id:	75-2912875			
					TEX2352 Texas Energy Supply,	0.16406250			YY	NWL			0		N
					P. O. Box 4848										
					Wichita Falls		TX 76308-0838		SS#	/Tax	Id:	75-1872855			
					ZIH5000 Zihlman Family Trust	0.00046890			YY	NOD	5		0		N
					4463 Ridgevale Road										
					Fort Worth		TX 76116		SS#	/Tax	Id:	75-6272449			
					*** DECK TOTAL								1.00000000		

N/2 Sec 32

PROPERTY	PROPERTY NAME	DK	MONTH	DESCRIPTION	OWNER	OWNER NAME	D.D.I.	RNSTS	EXMPT	P.TX	EXMPT	CST	SUBLEGR	AF
								9TDIC	CODES	CODES		CTR	NUMBER	CD
HO9500	Howell State Com#1	3	07/01	RD/CURRENT GAS EFF 07/01										
				BUC3000 Charles Edward Buck	0.00027470			YY R	5			0		N
				1801 South 17th Street										
				Artesia		NM 88210		SS#/Tax-Id: 525-66-4834						
				* BUC3500 Texas Comptroller of	0.00016270			YY R	5			0		N
				Unclaimed Property										
				F/A/O James Frederick Buck										
				P. O. Box 12019										
				Austin		TX 78711-2019		SS#/Tax-Id: 585-60-7082						
				BUC4500 Noah Eugene Buck III	0.00016280			YY R	5			0		N
				3711 Gold Street Apt. #9										
				Los Alamos		NM 87544		SS#/Tax-Id: 585-66-0090						
				BUC5000 Ted Ray Buck	0.00054930			YY R	5			0		N
				3605 W. Quay Ave.										
				Artesia		NM 88210-3204		SS#/Tax-Id: 525-54-2309						
				BUC5100 The Buck Family Trus	0.00146480			YY R	5			0		N
				Mae M. Buck, Trustee										
				802 Clayton										
				Artesia		NM 88210		SS#/Tax-Id: 585-18-9288						
				BYR2000 David Byrd	0.00016275			YY R	5			0		N
				3227 W. Eugie Avenue										
				Phoenix		AZ 85029-1284		SS#/Tax-Id: 527-56-5612						
				ORR CHR4400 Christensen Petroleu	0.00390630			YY O	5			0		N
				P. O. Box 3790										
				Midland		TX 79702-3790		SS#/Tax-Id: 75-1430273						
				COM7002 Commissioner of Publ	0.06250000			YY S#	5 P			0		N
				State of New Mexico										
				DO NOT MAIL CHECK-PMT. MADE BY										
				A/P ENTRY-VOID & RECON.THIS CK										
				* FOR3000 Texas Comptroller of	0.00048830			YY R	5			0		N
				Unclaimed Property										
				F/a/o Otis Ford, Jr.										
				P. O. Box 12019										
				Austin		TX 78711-2019								
				GAR6150 Dorothy Wilson Garre	0.00032550			YY R	5			0		N
				43183 W. Pleasant Ridge Road										
				Hammond		LA 70403		SS#/Tax-Id: 438-66-9774						

PROPERTY	PROPERTY NAME	DK	MONTH	DESCRIPTION	OWNER	OWNER NAME	D.D.I.	RNSTS 9TDIC	EXMPT CODES	P.TX CODES	EXMPT CTR	CST NUMBER	SUBLEGR	AF CD
<u>H09500</u>	<u>Howell State Com#1</u>	3	07/01	RD/CURRENT GAS EFF 07/01										
				GAV3000 Francis Joseph Gavin	0.00195313			YY R	5		0			N
				15935 SW Royalty Parkway										
				King City	OR 97224-2405			SS#/Tax-Id: 431-38-5746						
				GAV3300 John Patrick Gavin	0.00195314			YY R	5		0			N
				921 N. Sage										
				Rialto	CA 92376			SS#/Tax-Id: 444-14-7824						
				GAV3800 Leo Mark Gavin	0.00195314			YY R	5		0			N
				1946 California										
				Gooding	ID 83330			SS#/Tax-Id: 544-09-4091						
				GRO4000 Mary Dolores Groom	0.00018310			YY R	5		0			N
				113 Harvard Street										
				Las Vegas	NV 89107			SS#/Tax-Id: 530-44-9754						
				GRO4100 Michael William Groo	0.00018310			YY R	5		0			N
				5104 Still Breeze Ave.										
				Las Vegas	NV 89130			SS#/Tax-Id: 530-70-6030						
				GRO4200 Robert Emmett Groom	0.00018310			YY R	5		0			N
				1919 N. Bruce Street										
				N. Las Vegas	NV 89030			SS#/Tax-Id: 530-44-9705						
				HAM4000 Julia Ellen Buck Ham	0.00016280			YY R	5		0			N
				P. O. Box 653										
				Estancia	NM 87016			SS#/Tax-Id: 585-48-5066						
				HAR2450 Glenda S. Hardison	0.00016275			YY R	5		0			N
				410 5th St. NE, #14										
				Washington	DC 20002			SS#/Tax-Id: 229-58-7579						
				HAR5725 Ella J. Grim	0.00009766			YY R	5		0			N
				1032 Susan Street										
				Auburn	IN 46706-1522			SS#/Tax-Id: 313-48-6186						
				HAR6200 Marceil Harris	0.00048830			YY R	5		0			N
				410 W. Central Ave.										
				Bluffton	IN 46714-2408			SS#/Tax-Id: 317-16-3828						
				* HAR6900 Texas Comptroller of	0.00009766			YY R	5		0			N
				Unclaimed Property										
				F/A/O Rex Harris										
				P. O. Box 12019										
				Austin	TX 78711-2019			SS#/Tax-Id: 311-82-1932						

PROPERTY	PROPERTY NAME	DK	MONTH	DESCRIPTION	OWNER	OWNER NAME	D.D.I.	RNSTS	EXMPT	P.TX	EXMPT	CST	SUBLEGR	AF
								9TDIC	CODES	CODES		CTR	NUMBER	CD
<u>HO9500</u>	<u>Howell State Com#1</u>	3	07/01	RD/CURRENT GAS EFF 07/01										
				HAR7000 Robert Harris		0.00009766		YY	R	5		0		N
				1405 Vermont Ave.										
				Fort Wayne	IN	46805		SS#/Tax-Id:	307-56-0687					
				HAR7100 Ronald Harris		0.00009766		YY	R	5		0		N
				P. O. Box 29										
				Ossian	IN	46777		SS#/Tax-Id:	311-36-7822					
				HAR7400 Tom Harris		0.00009766		YY	R	5		0		N
				Route 2, Box 21										
				Montpelier	IN	47359		SS#/Tax-Id:	316-42-6431					
				HEN2000 Mrs. Charles R. Hend		0.00004890		YY	R	5		0		N
				534 S. Adams St.										
				Montpelier	IN	47359		SS#/Tax-Id:	317-03-5811					
				HEN2300 Larry Gene Henderson		0.00003660		YYR		5		0		N
				327 S. Washington Street										
				Montpelier	IN	47359-1438		SS#/Tax-Id:	311-72-9562					
				HEN2900 Richard B. Henderson		0.00019530		YY	R	5		0		N
				1318 N. Bay Drive										
				Lynn Haven	FL	32444		SS#/Tax-Id:	303-24-3711					
				HEN3200 Robert D. Henderson		0.00003660		YY	R	5		0		N
				327 S. Washington Street										
				Montpelier	IN	47359		SS#/Tax-Id:	312-72-0760					
				HEN3500 William Henderson		0.00019530		YY	R	5		0		N
				301 Park Ave.										
				Electra	TX	76360		SS#/Tax-Id:	451-03-6131					
				HES7000 Elaine K. Hesson		0.00292970		YY	R	5		0		N
				537 Thompson Cr. Rd. Sp. #41										
				Applegate	OR	97530		SS#/Tax-Id:	555-14-6682					
				HIL4500 Houston & Emma Hill		0.00153130		YY	O	5		0		N
				500 West Seventh Street										
				Suite 1802										
				Fort Worth	TX	76102-3865		SS#/Tax-Id:	75-6254114					
				HIL5001 James R. Hill Family		0.00114840		YYNOD		5		0		N
				Partnership										
				Suite 1802										
				500 W. 7th Str Unit 16										
				Ft. Worth	TX	76102-4772		SS#/Tax-Id:	75-2911864					

ORR

ORR

PROPERTY	PROPERTY NAME	DK	MONTH	DESCRIPTION	OWNER	OWNER NAME	D.D.I.	RNSTS	EXMPT	P.TX	EXMPT	CST	SUBLEGR	AF
								9TDIC	CODES	CODES		CTR	NUMBER	CD
HO9500	Howell State Com#1	3	07/01	RD/CURRENT GAS EFF 07/01	HIT4000	Carolyn J. Byrd Hitt	0.00016275	YY	R	5		0		N
						5144 Bickley Court San Jose	CA 95136-2602							
														SS#/Tax-Id: 527-50-7598
				* HOW1400		Texas Comptroller of Unclaimed Property	0.00018310	YY	R	5		0		N
						f/a/o Ora Buck Howard/Deceased P. O. Box 12019 Austin	TX 78711							SS#/Tax-Id: 525-62-5257
				HOW2850		The James H. & Betty Revocable Trust	0.02050780	YY	R	5		0		N
						P. O. Box 75 Lakewood	NM 88254							SS#/Tax-Id: 525-86-9663
				HOW3100		Richard Howell	0.02050780	YY	R	5		0		N
						PO Box 94 Lakewood	NM 88254							SS#/Tax-Id: 525-86-9662
				KAR4010		Mary Lee Karlins	0.00146485	YYYY		5		0		N
						88 Green Street Newbury	MA 01951							SS#/Tax-Id: 225-64-7609
				* LAN1500		Texas Comptroller of Unclaimed Property	0.00048830	YY	R	5		0		N
						f/a/o Glenna Lancaster P. O. Box 12019 Austin	TX 78711-2019							SS#/Tax-Id: 304-22-0547
	ORR			LAT6995		Glenn Lattimore Fami Partnership	0.00114840	YYNOD		5		0		N
						Suite 1802 500 W. 7th Str Unit 16 Ft. Worth	TX 76102-4772							SS#/Tax-Id: 75-2912875
				* LAU3120		Texas Comptroller of Unclaimed Property	0.00024400	YY	R	5		0		N
						F/A/O Pauline Laughlin P. O. Box 12019 Austin	TX 78711-2019							SS#/Tax-Id: 525-58-1829
				MAR7200		Carl Dean Martin	0.00032550	YY	R	5		0		N
						Route 1 Artesia	NM 88210							SS#/Tax-Id: 525-60-7358

PROPERTY	PROPERTY NAME	DK	MONTH	DESCRIPTION	OWNER	OWNER NAME	D.D.I.	RNSTS 9TDIC	EXMPT CODES	P.TX CODES	EXMPT CTR	CST NUMBER	SUBLEGR	AF CD
<u>HO9500</u>	<u>Howell State Com#1</u>	3	07/01	RD/CURRENT GAS EFF 07/01	MEE5000	Billy N. Meeks	0.00292970	YY R	5		0			N
						29605 Solana Way Atp T15 Temecula	CA 92591							
					MEE5200	Kenneth W. Meeks	0.00195310	YY R	5		0			N
						1407 W. Princeton St. Ontario	CA 91762							
					MOR6700	Thomas M. Morris	0.00244140	YY R	5		0			N
						2308 E. Front Tyler	TX 75701							
					MUR7000	Betty Harris Murray	0.00048830	YY R	5		0			N
						931 Wendemere Drive Seymour	IN 47274-2705							
					MYE6800	Elizabeth Myers	0.00019530	YY R	5		0			N
						c/o Richard Henderson 1318 N. Bay Drive Lynn Haven	FL 32444							
					NEW5700	Sarah Newman	0.00195313	YY R	5		0			N
						1027 No. Division Forrest City	AR 72335							
					OWE5000	Roberta Owen	0.00195310	YY R	5		0			N
						P.O. Box 139 French Gulch	CA 96033-0139							
					POT7200	Theresa Ann Groom Po	0.00018310	YY R	5		0			N
						113 Harvard Street Las Vegas	NV 89107							
					PUG7000	Orial M. Pugsley	0.00195310	YY R	5		0			N
						12 Half Moon Bend Coronado	CA 92118							
					RIL2500	Ruth Martin Riley	0.00032550	YY R	5		0			N
						2901 S. 13th Artesia	NM 88211-7526							
					ROD4000	Julia Rodabaugh	0.00195313	YY R	5		0			N
						30063 US HWY 281 N PMB #401 Bulverde	TX 78163-4311							

PROPERTY	PROPERTY NAME	DK	MONTH	DESCRIPTION	OWNER	OWNER NAME	D.D.I.	RNSTS	EXMPT	P.TX	EXMPT	CST	SUBLEGR	AF
								9TDIC	CODES	CODES		CTR	NUMBER	CD
HO9500	Howell State Com#1	3	07/01	RD/CURRENT GAS EFF 07/01										
				SIM6250 Vivian L. Simpson			0.00036620	YY	R	5		0		N
				2698 South Hulen										
				Fort Worth			TX 76109	SS#	/Tax-Id:	454-12-9175				
				STE8900 Sandra K. Stewart			0.00003660	YY	R	5		0		N
				3141 W 150 S										
				Hartford City			IN 47348	SS#	/Tax-Id:	314-52-6503				
				STO6000 Barbara S. Storey			0.00016275	YY	R	5		0		N
				6758 W. Quail Ave.										
				Glendale			AZ 85308	SS#	/Tax-Id:	526-46-4846				
				TEX2352 Texas Energy Supply,			0.16406250	YY	W			0		N
				P. O. Box 4848										
				Wichita Falls			TX 76308-0838	SS#	/Tax-Id:	75-1872855				
				UPD3990 Carolyn E. Updike			0.00146485	YY	YR	5		0		N
				P.O. Box 521773										
				Salt Lake City			UT 84152	SS#	/Tax-Id:	225-80-8695				
				UPD3998 Margaret Updike			0.00146485	YY	YR	5		0		N
				Timbers Chase, Ruxbury Road										
				Chertsey,										
				Surrey U.K.			KT16 9NJ	SS#	/Tax-Id:	225-64-7608				
				UPD4008 Wanda S. Updike			0.00146485	YY	NRD	5		0		N
				1138 Gilmer Drive										
				Salt Lake City			UT 84152	SS#	/Tax-Id:	230-86-9857				
				* WAG5500 Texas Comptroller Of			0.00032550	YY	R	5		0		N
				Unclaimed Property										
				F/A/O Evelyn Martin Wagoner										
				P. O. Box 12019										
				Austin			TX 78711-2019	SS#	/Tax-Id:	505-48-5836				
				WAL8400 Wanda Walter			0.00878910	YY	R	5		0		N
				c/o Farmers Bank										
				Savings Acct. #07-631-5										
				Greenwood			AR 72936	SS#	/Tax-Id:	429-92-4904				
				* WAR6300 Texas Comptroller of			0.00036620	YY	R	5		0		N
				Unclaimed Property										
				F/A/O Mrs. Thomas B. Warren										
				P. O. Box 12019										
				Austin			TX 78711-2019	SS#	/Tax-Id:	460-42-7050				

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]**
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR
- [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Jimmy D. Carlile
 Print or Type Name

Jimmy D. Carlile
 Signature

Regulatory Affairs Coordinator 10/22/01
 Title Date

jimmyc@for1.com
 e-mail Address

RECEIVED
 10/23/01

FASKEN OIL AND RANCH, LTD.

303 WEST WALL AVENUE, SUITE 1800
MIDLAND, TEXAS 79701-5116

(915) 687-1777

October 22, 2001

Mr. Michael Stogner
New Mexico Oil Conservation Division
Engineering Bureau
1220 S. St. Francis Drive
Santa Fe, NM 87505

Dear Mr. Stogner,

Re: Fasken Oil and Ranch, Ltd.
Request for Administrative Approval
Unorthodox Location, Cameron "31" Federal No. 2
Cemetery (Morrow) Pool, Eddy County, New Mexico

Fasken Oil and Ranch, Ltd. is requesting administrative approval of an unorthodox location for its Cameron "31" Federal No. 2 located at 2449' FNL and 408' FEL of Section 31, T20S, R25E, Eddy County, New Mexico.

This location was selected based off of geologic control data and Bureau of Land Management surface resource requirements. This well will be drilled to the Cemetery (Morrow) Gas Pool. Pool rules for the Cemetery (Morrow) Gas Pool allow for 320 acre spacing units (Order No. R-3194), modified under Rule 104.C.(2)(b) to allow one infill well per 320 acres. Location requirements for the initial well in the 320 acre spacing unit require a well to be no closer than 660' to any outer boundary of the quarter section in which the well is located, nor closer than 10' to any quarter/quarter section line or subdivision inner boundary. This staked location is 408' from the eastern lease line and 193' from the half section line, thus necessitating this exception request. Explanations of our land information, geologic mapping and Bureau of Land Management surface resource requirements follow.

Land Data

Fasken Oil and Ranch, Ltd., as successor operator to David Fasken, entered into an Operating Agreement dated July 27, 1973 creating a Working Interest Unit covering all of Section 31, T20S, R25E, Eddy County, New Mexico. The two Federal Leases comprising Section 31 are USA NM-0488813 and USA NM-16079. Under this agreement, all working interest owners agreed to share production and costs for any well in Section 31 based upon the percentage of acres each owned in relation to the total number of acres in Section 31. All working interest owners have been provided notice by their receipt of the Cameron "31" No. 2 well proposal and AFE. Fasken Oil and Ranch, Ltd. has received executed AFEs back from all working interest owners whereby each has elected to participate in the drilling of the captioned well.

Geologic Data

It is important to encounter our objective Morrow sands high enough to be above any local gas water contacts and also thick enough to be economically productive. Dip meters run on our area wells give us very good control on the Morrow structure in this area. The well in the Southeast quarter of the Southeast quarter of Section 30 shows a 3° dip to the south while the well in the Southeast quarter of Section 31 indicates a 4.5° dip to the Northwest. The well in the Northwest quarter of Section 32 is on top of the structure and is flat with no dip. Sands in low spots in this area do become wet and unproductive. Close well control allows us to map +10' of porous Middle Morrow Yellow Sand along to the east line of Section 31. Although some depletion is anticipated, economic reserves will be recovered at our proposed location that will not be captured otherwise. Moving the location to the Northwest would both be going in a down dip direction and out of the thicker porous part of our sand trend. Please see Exhibits 1, 2 and 3 for geologic mapping of this area.

Surface Resource Data

All acreage in Section 31 is made up of Federal minerals and Federal surface, and as such, the Bureau of Land Management has primacy over the surface estate. This location is the fourth location staked and surveyed for cultural and topographic features, while maintaining a geologically acceptable location. A fire pit was immediately identified at the original location by the Bureau of Land Management and Alternate Site No. 1 was immediately surveyed. Alternate Site No. 1 was cleared by the archaeologist, but was denied by the Bureau of Land Management during the cave and karst review due to an identified drainage leading to two small caves found approximately 500' north and east of the location. Alternate Site No. 2 was surveyed in, but was denied due to a significant new archaeological site discovery (LA 133867) immediately to the west of the staked location. Alternate Site No. 3, our unorthodox location, has been cleared through all phases of the Bureau of Land Management's processes and the issuance of the drilling permit is forthcoming. Please see Exhibit 4 for a map identifying the 3 previous locations denied by the Bureau of Land Management, and for the spot of the approved location as well. This exhibit also shows the locations of the surface cultural and topographic features influencing location selection.

Fasken Oil and Ranch, Ltd. and the Bureau of Land Management have been diligently working to find a suitable location that does not disturb or destroy valuable surface resources in this area, while maintaining the geologic integrity of the prospect. As a result, our proposed location has been agreed upon and cleared by the Bureau of Land Management.

As stated earlier, this location encroaches upon the eastern lease boundary and the mid-section line of the Cameron "31" Federal lease. Exhibit 5 is a map showing the offsetting wells and operators of record. The offsetting acreage to the east (Section 32) is operated by Fasken Oil and Ranch, Ltd. All working interest owners and royalty owners in Section 32, as well as all affected persons in surrounding sections, have been notified of this unorthodox location by copy of this application on this date via certified mail/return receipt requested. Please see Exhibit 6 for a listing by Section, Township and Range and ownership of affected parties which were provided notice of this exception application. Copies of the certificates of mailing to each of these affected parties are attached as Exhibit 7.

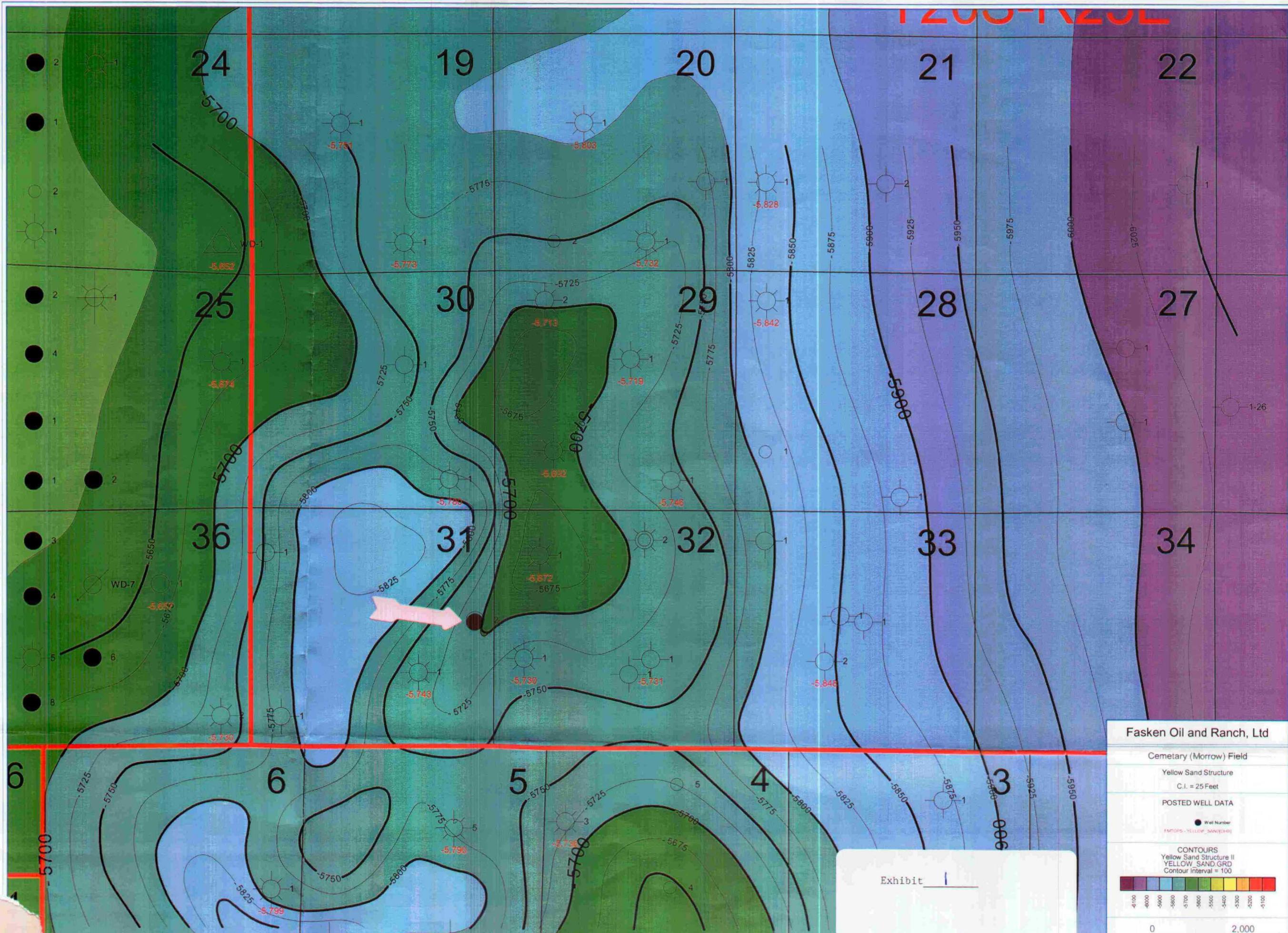
Also attached for your information and review are Form 3160-3 Application for Permit to Drill or Deepen, Form 3160-5 (Sundry Notice) changing the location from the Alternate 1 location to the current location and Form C-102 certifying the location. These are collectively Exhibit 8.

Please let me know if there are any questions you may have concerning this unorthodox location exception request. I may be reached at (915) 687-1777.

Yours truly,

A handwritten signature in black ink that reads "Jimmy D. Carlile". The signature is written in a cursive style with a large, stylized "J" and "C".

Jimmy D. Carlile
Regulatory Affairs Coordinator



Fasken Oil and Ranch, Ltd

Cemetary (Morrow) Field

Yellow Sand Structure
C.I. = 25 Feet

POSTED WELL DATA

● Well Number
FMTOPS - YELLOW_SAND.GRD

CONTOURS
Yellow Sand Structure II
YELLOW_SAND.GRD
Contour Interval = 100

Legend for Contours (Elevation in Feet):

6000	5900	5800	5700	5600	5500	5400	5300	5200	5100
------	------	------	------	------	------	------	------	------	------

0 2,000

Exhibit 1

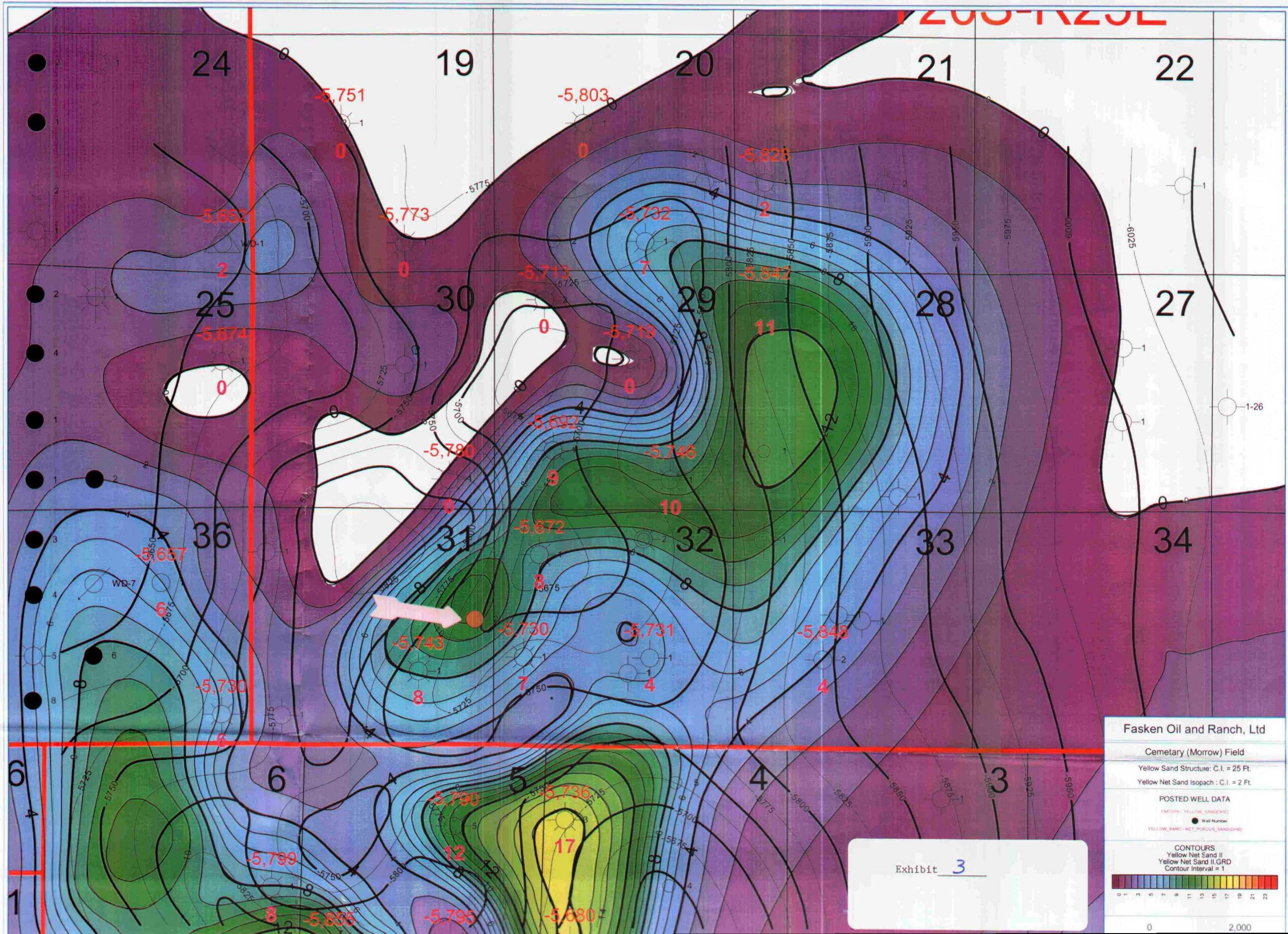


Exhibit 3

Fasken Oil and Ranch, Ltd

Cemetary (Morrow) Field

Yellow Sand Structure: C.I. = 25 Ft.

Yellow Net Sand Isopach: C.I. = 2 Ft.

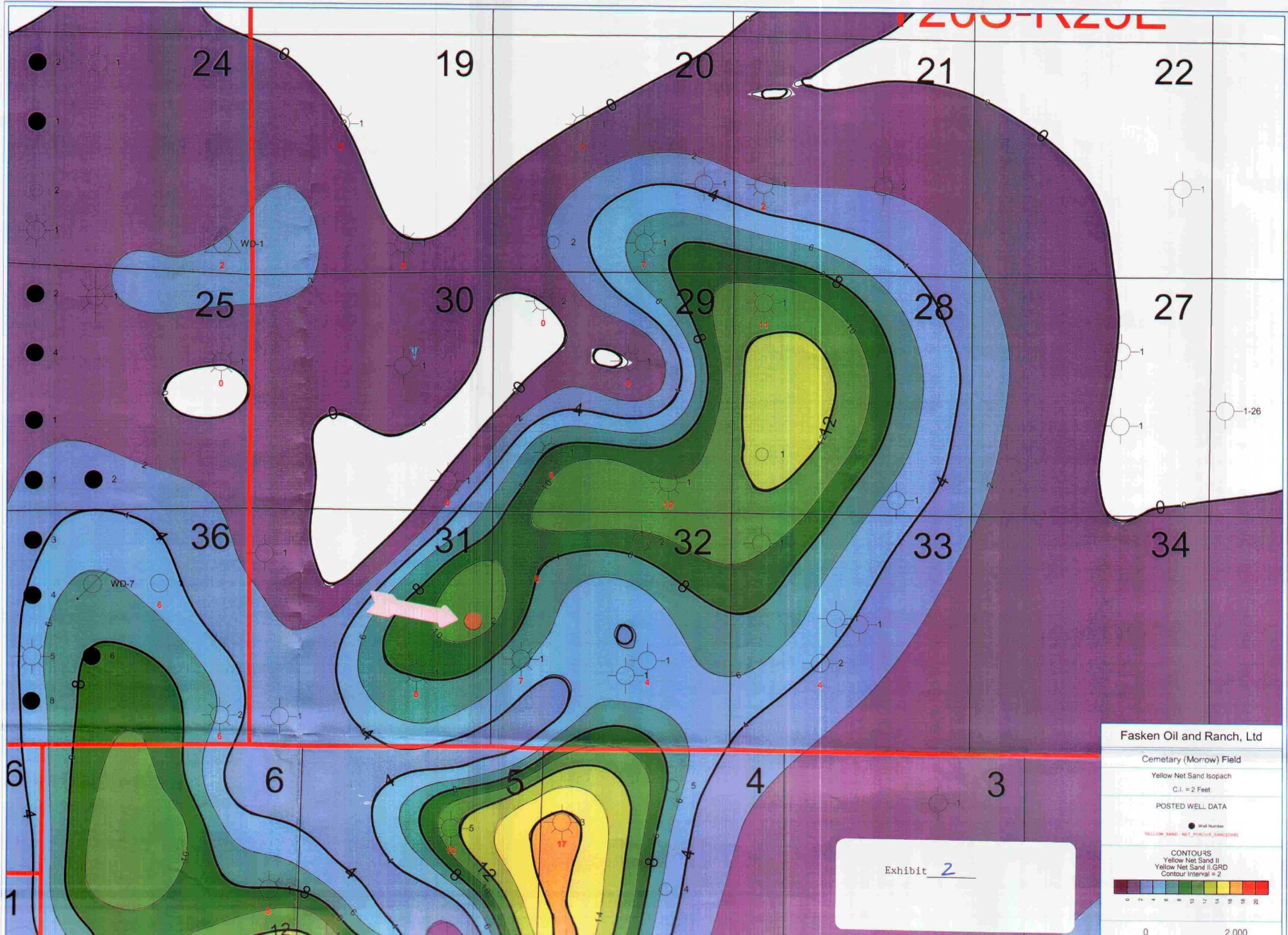
POSTED WELL DATA

(MUTORS - YELLOW_SAND(OR))
 ● Well Number
 (YELLOW_SAND - NET_POROUS_SAND(OR))

CONTOURS
 Yellow Net Sand II
 Yellow Net Sand II.GRD
 Contour Interval = 1



0 2,000



1200-1200

24

19

20

21

22

25

30

29

28

27

36

31

32

33

34

6

5

4

3

Exhibit 2

Fasken Oil and Ranch, Ltd

Cemetary (Morrow) Field

Yellow Net Sand Isopach
C.I. = 2 Feet

POSTED WELL DATA

● Well Number
YELLOW_SAND - NET_POROUS_SAND(SHR)

CONTOURS
Yellow Net Sand II
Yellow Net Sand II GRD
Contour Interval = 2

0 2 4 6 8 10 12 14 16 18 20

0 2000

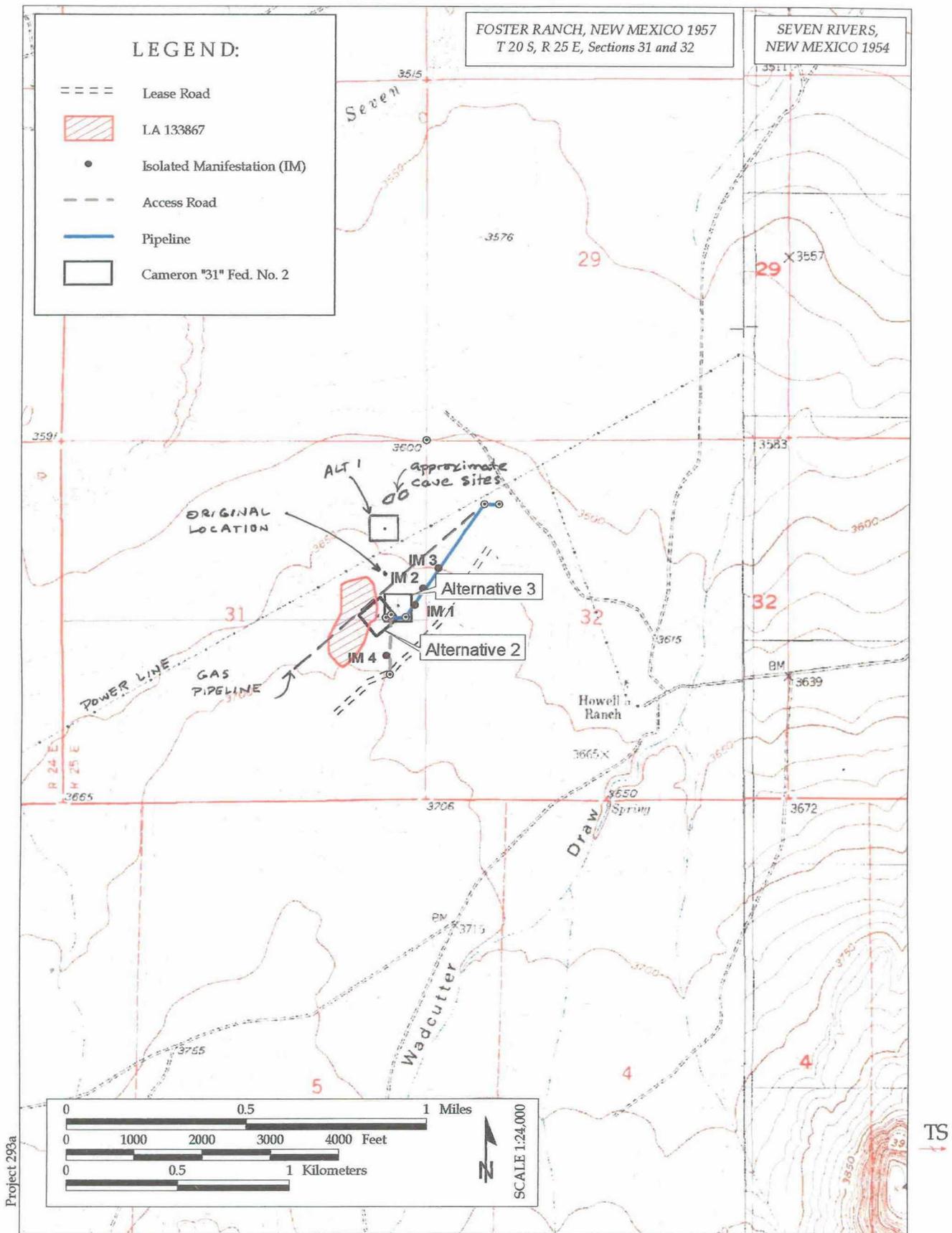
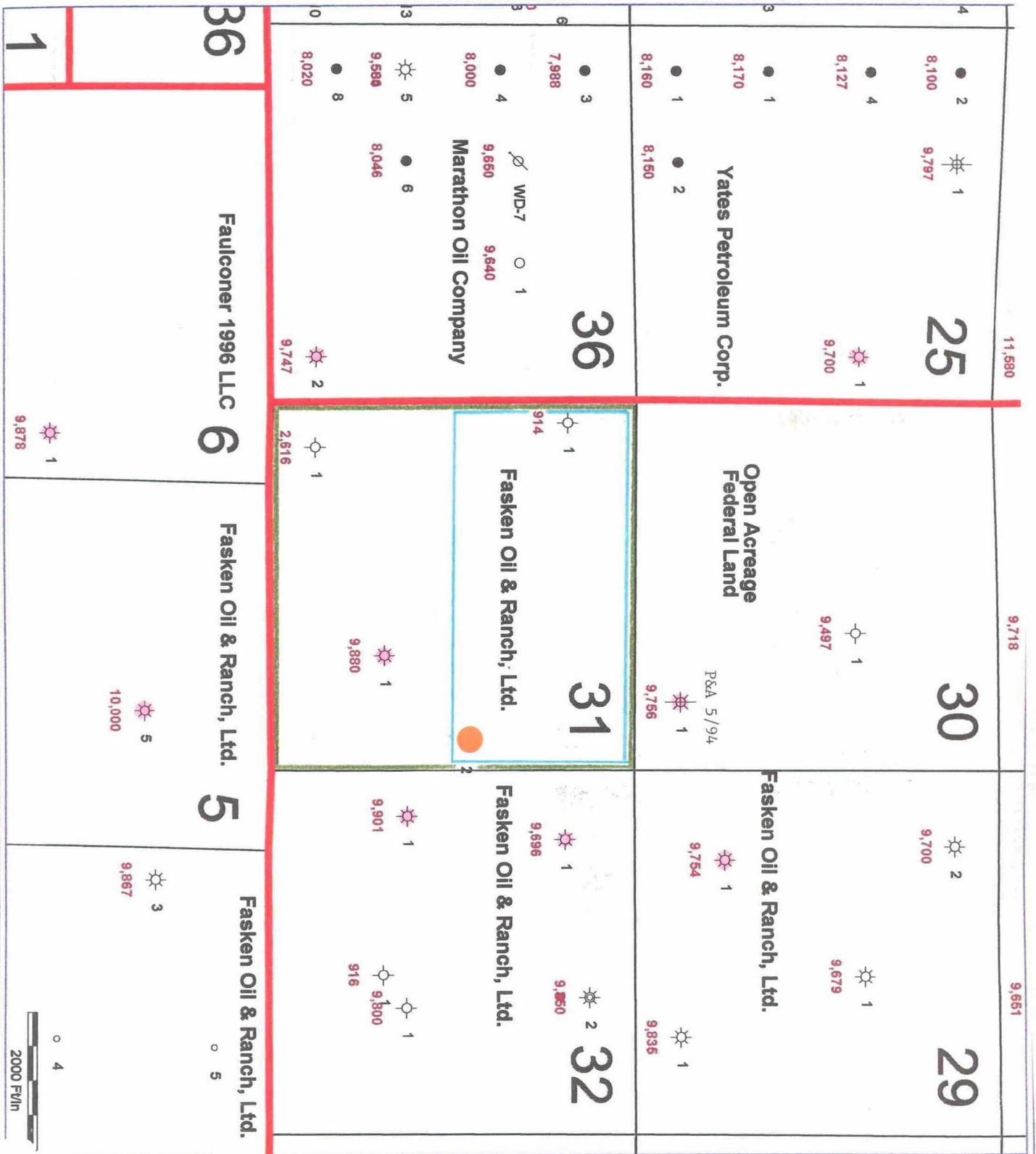


Figure 1. Project Area Map.

Mesa Field Services



Cameron "31" Federal
Well No. 2
2449' FNL, 408' FEL
Sec. 31, T20S, R25E
Eddy County, NM

- Cemetary
- Morrow Well
- Proposed Location

DESCRIPTION	OPERATOR	WI OWNERS
T20S; R25E		
Section 29: S/2 Howell 29 Federal HO9100	Fasken Oil and Ranch, Ltd. 303 W. Wall, Suite 1800 Midland, Texas 79701	Brooks Oil & Gas Interests, Ltd. P. O. Box 23314 Santa Fe, New Mexico 87502
Section 30: S/2	OGL NMNM-000669; Case closed on 2/24/97.	Open Federal land. Pending State Exchange Application. Confirmed by check of Eddy County Records and by Federal Abstract Takeoff.
Section 32: All State 32 WIU ST1500	Fasken Oil and Ranch, Ltd. 303 W. Wall, Suite 1800 Midland, Texas 79701	Brooks Oil & Gas Interests, Ltd. P. O. Box 23314 Santa Fe, New Mexico 87502 Texas Energy Supply, Inc. P. O. Box 4848 Wichita Falls, Texas 76308-0838
ROYALTY OWNERS - See attached listing for royalty and overriding royalty owners under both the N/2 and S/2 of Section 32.		
T21S; R24E		
Section 5: All Shell Federal Lease SH2000	Fasken Oil and Ranch, Ltd. 303 W. Wall, Suite 1800 Midland, Texas 79701	Brooks Oil & Gas Interests, Ltd. P. O. Box 23314 Santa Fe, New Mexico 87502 Pure Resources, L.P. 1600 Smith Street, Suite 4600 Houston, Texas 77002 Ross Family Trust Vee K. Ross, Trustee P. O. Box 86 Midland, Texas 79702
Section 6: Lots 19, 20, 25-28, 32 USA NM-010567 Federal 6 #1	Faulconer 1996 LLC P. O. Box 7995 Tyler, Texas 75711-7955 (903) 581-4382	Verified by phone conversation with Joan Mullinex at 11:45 on 10/10/01. Confirmed by check of Eddy County Records and by Federal Abstract Takeoff.

DESCRIPTION	OPERATOR	WI OWNERS
<p>T20S; R24E</p> <p>Section 25: SE/4</p>	<p>Yates Petroleum Corp. 105 S. 4th Street Artesia, New Mexico 88210</p>	<p>S/2 CA NM-87880 covering the Canyon (Upper Penn) formation Yates is the operator. Yates also owns Operating Rights as to all depths other than the South Dagger Draw Upper Penn Associated Pool</p>
<p>Section 36: S/2</p>	<p>Marathon Oil Company P. O. Box 552 Midland, Texas 79702</p>	
<p>Section 36: N/2</p>	<p>Marathon Oil Company P. O. Box 552 Midland, Texas 79702</p>	

PROPERTY	PROPERTY NAME	DK	A	MONTH	DESCRIPTION	OWNER	OWNER NAME	D.D.I.	RNSTS	EXMPT	P.TX	EXMPT	CST	SUBLEGR	AF
									9T	DIC	CODES	CODES	CTR	NUMBER	CD
ST1502	State "32" Com #2	1	Y	*BASE*	RD/CURRENT Eff 1st sales gas										
					9999802 Fasken Land and Mine	0.65078120			YY	W	5		0		Y
					303 W. Wall Ave., Suite 1900										
					Midland TX 79701										
					SS#/Tax-Id: 75-2628257										
					BRO4011 Brooks Oil & Gas Int	0.01328120			YY	NWD			0		N
					P.O. Box 10162										
					Midland TX 79702										
					SS#/Tax-Id: 75-2515963										
					CHR4400 Christensen Petroleu	0.02343750			YY	NOD	5		0		N
					P. O. Box 3790										
					Midland TX 79702-3790										
					SS#/Tax Id: 75-1430273										
					COM7002 Commissioner of Publ	0.12500000			YY	S#	5	P	0		N
					State of New Mexico										
					DO NOT MAIL CHECK-PMT. MADE BY										
					A/P ENTRY-VOID & RECON.THIS CK										
					HIL4500 Houston & Emma Hill	0.00918750			YY	NOD	5		0		N
					500 West Seventh Street										
					Suite 1802										
					Fort Worth TX 76102-3865										
					SS#/Tax-Id: 75-6254114										
					HIL5001 James R. Hill Family	0.00689060			YY	NOD	5		0		N
					Partnership										
					Suite 1802										
					500 W. 7th Str Unit 16										
					Ft. Worth TX 76102-4772										
					SS#/Tax-Id: 75-2911864										
					LAT6995 Glenn Lattimore Fami	0.00689060			YY	NOD	5		0		N
					Partnership										
					Suite 1802										
					500 W. 7th Str Unit 16										
					Ft. Worth TX 76102-4772										
					SS#/Tax Id: 75-2912875										
					TEX2352 Texas Energy Supply,	0.16406250			YY	NWL			0		N
					P. O. Box 4848										
					Wichita Falls TX 76308-0838										
					SS#/Tax-Id: 75-1872855										
					ZIH5000 Zihlman Family Trust	0.00046890			YY	NOD	5		0		N
					4463 Ridgevale Road										
					Fort Worth TX 76116										
					SS#/Tax-Id: 75-6272449										
					*** DECK TOTAL										
						1.00000000									

N/2 Sec 32

PROPERTY	PROPERTY NAME	DK	MONTH	DESCRIPTION	OWNER	OWNER NAME	D.D.I.	RNSTS	EXMPT	P.TX	EXMPT	CST	SUBLEGR	AF
								9TDC	CODES	CODES		CTR	NUMBER	CD
HO9500	Howell State Com#1	3	07/01	RD/CURRENT GAS EFF C7/01										
				9999802 Fasken Land and Mine	0.65843750			YY	W	5		0		Y
				303 W. Wall Ave., Suite 1900										
				Midland		TX 79701		SS#	/Tax Id:	75-2628257				
				* ANG3500 Texas Comptroller of	0.00024420			YY	R	5		0		N
				Unclaimed Property										
				f/a/o Barney A. Anglin, Jr.										
				P. O. Box 12019										
				Austin		TX 78711		SS#	/Tax-Id:	525-52-9773				
				ANG3700 Lilly Mae Anglin	0.00024420			YY	R	5		0		N
				Mountain Shadows Nursing Cent.										
				1105 Hill Road										
				Las Cruces		NM 88001		SS#	/Tax-Id:	525-12-9794				
				ANG3900 Robert L. Anglin	0.00024420			YY	RA	5		0		N
				P. O. Box 644										
				Hamilton		TX 76531		SS#	/Tax-Id:	525-36-7955				
				* BAR6500 Texas Comptroller of	0.00027470			YY	R	5		0		N
				Unclaimed Property										
				F/A/O Mary J. Bartlett										
				P. O. Box 12019										
				Austin		TX 78711-2019		SS#	/Tax-Id:	525-96-3070				
				BAR7000 Linda D. Love Barton	0.00003660			YY	R	5		0		N
				0161 N. 200 E										
				Hartford City		IN 47348		SS#	/Tax-Id:	305-62-5346				
				BIL5000 Caroline Billings	0.00019530			YY	R	5		0		N
				c/o Donald Billings										
				Route 1, Box 33										
				Flora		IN 46929		SS#	/Tax-Id:	307-12-3973				
				BRA1700 Theresa Mary Bracy	0.00195313			YY	R	5		0		N
				21873 NE Skidmore										
				Fairview		CR 97024		SS#	/Tax-Id:	429-46-1622				
				BRO4011 Brooks Oil & Gas Int	0.01343750			YY	W			0		N
				P.O. Box 10162										
				Midland		TX 79702		SS#	/Tax Id:	75 2515963				
				BUC2500 Bernice Buck	0.00018310			YY	R	5		0		N
				3605 W. Quay Ave.										
				Artesia		NM 88210-3204		SS#	/Tax-Id:	585-28-6230				

S/2 Sec 32

PROPERTY	PROPERTY NAME	DK	MONTH	DESCRIPTION	OWNER	OWNER NAME	D.D.I.	RNSTS	EXMPT	P.TX	EXMPT	CST	SUBLEGR	AF
								9TDIC	CODES	CODES		CTR	NUMBER	CD
HO9500	Howell State Com#1	3	07/01	RD/CURRENT GAS EFF 07/01										
				GAV3000 Francis Joseph Gavin	0.00195313			YY R	5			0		N
				15935 SW Royalty Parkway										
				King City	OR 97224-2405			SS#/Tax-Id: 431-38-5746						
				GAV3300 John Patrick Gavin	0.00195314			YY R	5			0		N
				921 N. Sage										
				Rialto	CA 92376			SS#/Tax-Id: 444-14-7824						
				GAV3800 Leo Mark Gavin	0.00195314			YY R	5			0		N
				1946 California										
				Gooding	ID 83330			SS#/Tax-Id: 544-09-4091						
				GRO4000 Mary Dolores Groom	0.00018310			YY R	5			0		N
				113 Harvard Street										
				Las Vegas	NV 89107			SS#/Tax-Id: 530-44-9754						
				GRO4100 Michael William Groo	0.00018310			YY R	5			0		N
				5104 Still Breeze Ave.										
				Las Vegas	NV 89130			SS#/Tax-Id: 530-70-6030						
				GRO4200 Robert Emmett Groom	0.00018310			YY R	5			0		N
				1919 N. Bruce Street										
				N. Las Vegas	NV 89030			SS#/Tax-Id: 530-44-9705						
				HAM4000 Julia Ellen Buck Ham	0.00016280			YY R	5			0		N
				P. O. Box 653										
				Estancia	NM 87016			SS#/Tax-Id: 585-48-5066						
				HAR2450 Glenda S. Hardison	0.00016275			YY R	5			0		N
				410 5th St. NE, #14										
				Washington	DC 20002			SS#/Tax-Id: 229-58-7579						
				HAR5725 Ella J. Grim	0.00009766			YY R	5			0		N
				1032 Susan Street										
				Auburn	IN 46706-1522			SS#/Tax-Id: 313-48-6186						
				HAR6200 Marceil Harris	0.00048830			YY R	5			0		N
				410 W. Central Ave.										
				Bluffton	IN 46714-2408			SS#/Tax-Id: 317-16-3828						
				* HAR6900 Texas Comptroller of	0.00009766			YY R	5			0		N
				Unclaimed Property										
				F/A/O Rex Harris										
				P. O. Box 12019										
				Austin	TX 78711 2019			SS#/Tax-Id: 311-82-1932						

PROPERTY	PROPERTY NAME	DK	MONTH	DESCRIPTION	OWNER	OWNER NAME	D.D.I.	RNSTS	EXMPT	P.TX	EXMPT	CST	SUBLEGR	AF
								9T	DIC	CODES	CODES	CTR	NUMBER	CD
HQ9500	Howell State Com#1	3	07/01	RD/CURRENT GAS EFF 07/01	HAR7000	Robert Harris	0.00009766	YY	R	5		0		N
				1405 Vermont Ave.		Fort Wayne	IN 46805							
														SS#/Tax-Id: 307 56 0687
					HAR7100	Ronald Harris	0.00009766	YY	R	5		0		N
				P. O. Box 29		Ossian	IN 46777							
														SS#/Tax-Id: 311-36-7822
					HAR7400	Tom Harris	0.00009766	YY	R	5		0		N
				Route 2, Box 21		Montpelier	IN 47359							
														SS#/Tax-Id: 316-42-6431
					HEN2000	Mrs. Charles R. Hend	0.00004890	YY	R	5		0		N
				534 S. Adams St.		Montpelier	IN 47359							
														SS#/Tax-Id: 317-03-5811
					HEN2300	Larry Gene Henderson	0.00003660	YY	R	5		0		N
				327 S. Washington Street		Montpelier	IN 47359-1438							
														SS#/Tax-Id: 311-72-9562
					HEN2900	Richard B. Henderson	0.00019530	YY	R	5		0		N
				1318 N. Bay Drive		Lynn Haven	FL 32444							
														SS#/Tax-Id: 303-24-3711
					HEN3200	Robert D. Henderson	0.00003660	YY	R	5		0		N
				327 S. Washington Street		Montpelier	IN 47359							
														SS#/Tax-Id: 312-72-0760
					HEN3500	William Henderson	0.00019530	YY	R	5		0		N
				301 Park Ave.		Electra	TX 76360							
														SS#/Tax-Id: 451-03-6131
					HES7000	Elaine K. Hesson	0.00292970	YY	R	5		0		N
				537 Thompson Cr. Rd. Sp. #41		Applegate	OR 97530							
														SS#/Tax-Id: 555-14-6682
					HIL4500	Houston & Emma Hill	0.00153130	YY	O	5		0		N
				500 West Seventh Street		Suite 1802								
						Fort Worth	TX 76102-3865							SS#/Tax-Id: 75-6254114
					HIL5001	James R. Hill Family	0.00114840	YY	NOD	5		0		N
				Partnership		Suite 1802								
				500 W. 7th Str Unit 16		Ft. Worth	TX 76102-4772							SS#/Tax-Id: 75-2911864

ORR

ORR

PROPERTY	PROPERTY NAME	DK	MONTH	DESCRIPTION	OWNER	OWNER NAME	D.D.I.	RNSTS	EXMPT	P.TX	EXMPT	CST	SUBLEGR	AF
								9TDIC	CODES	CODES		CTR	NUMBER	CD
HO9500	Howell State Com#1	3	07/01	RD/CURRENT GAS EFF 07/01										
				HIT4000 Carolyn J. Byrd Hitt	0.00016275			YY	R	5		0		N
				5144 Bickley Court										
				San Jose	CA	95136-2602		SS#	/Tax-Id:	527-50-7598				
				* HOW1400 Texas Comptroller of	0.00018310			YY	R	5		0		N
				Unclaimed Property										
				f/a/o Ora Buck Howard/Deceased										
				P. O. Box 12019										
				Austin	TX	78711		SS#	/Tax-Id:	525-62-5257				
				HOW2850 The James H. & Betty	0.02050780			YY	R	5		0		N
				Revocable Trust										
				P. O. Box 75										
				Lakewood	NM	88254		SS#	/Tax-Id:	525-86-9663				
				HOW3100 Richard Howell	0.02050780			YY	R	5		0		N
				PO Box 94										
				Lakewood	NM	88254		SS#	/Tax-Id:	525-86-9662				
				KAR4010 Mary Lee Karlins	0.00146485			YY	YR	5		0		N
				88 Green Street										
				Newbury	MA	01951		SS#	/Tax-Id:	225-64-7609				
				* LAN1500 Texas Comptroller of	0.00048830			YY	R	5		0		N
				Unclaimed Property										
				f/a/o Glenna Lancaster										
				P. O. Box 12019										
				Austin	TX	78711-2019		SS#	/Tax-Id:	304-22-0547				
				CRR LAT6995 Glenn Lattimore Fami	0.00114840			YY	NOD	5		0		N
				Partnership										
				Suite 1802										
				500 W. 7th Str Unit 16										
				Ft. Worth	TX	76102-4772		SS#	/Tax-Id:	75-2912875				
				* LAU3120 Texas Comptroller of	0.00024400			YY	R	5		0		N
				Unclaimed Property										
				F/A/O Pauline Laughlin										
				P. O. Box 12019										
				Austin	TX	78711-2019		SS#	/Tax-Id:	525-58-1829				
				MAR7200 Carl Dean Martin	0.00032550			YY	R	5		0		N
				Route 1										
				Artesia	NM	88210		SS#	/Tax-Id:	525-60-7358				

PROPERTY	PROPERTY NAME	DK	MONTH	DESCRIPTION	OWNER	OWNER NAME	D.D.I.	RNSTS	EXMPT	P.TX	EXMPT	CST	SUBLEGR	AF
								9TDIC	CODES	CODES		CTR	NUMBER	CD
HO9500	Howell State Com#1	3	07/01	RD/CURRENT GAS EFF 07/01										
				MEE5000	Billy N. Meeks		0.00292970	YY	R	5		0		N
					29605 Solana Way Atp T15									
					Temecula	CA	92591	SS#	/Tax	Id:	549-03-4799			
				MEE5200	Kenneth W. Meeks		0.00195310	YY	R	5		0		N
					1407 W. Princeton St.									
					Ontario	CA	91762	SS#	/Tax-Id:	573-38-4645				
				MOR6700	Thomas M. Morris		0.00244140	YY	R	5		0		N
					2308 E. Front									
					Tyler	TX	75701	SS#	/Tax	Id:	458-24-2120			
				MUR7000	Betty Harris Murray		0.00048830	YY	R	5		0		N
					931 Wendemere Drive									
					Seymour	IN	47274-2705	SS#	/Tax	Id:	317-12-7858			
				MYE6800	Elizabeth Myers		0.00019530	YY	R	5		0		N
					c/o Richard Henderson									
					1318 N. Bay Drive									
					Lynn Haven	FL	32444	SS#	/Tax-Id:	304-22-4575				
				NEWS700	Sarah Newman		0.00195313	YY	R	5		0		N
					1027 No. Division									
					Forrest City	AR	72335	SS#	/Tax-Id:	431-20-0904				
				OWE5000	Roberta Owen		0.00195310	YY	R	5		0		N
					P.O. Box 139									
					French Gulch	CA	96033-0139	SS#	/Tax-Id:	565-22-6009				
				POT7200	Theresa Ann Groom Po		0.00018310	YY	R	5		0		N
					113 Harvard Street									
					Las Vegas	NV	89107	SS#	/Tax-Id:	530-54-7763				
				PUG7000	Orial M. Pugsley		0.00195310	YY	R	5		0		N
					12 Half Moon Bend									
					Coronado	CA	92118	SS#	/Tax-Id:	570-30-4200				
				RIL2500	Ruth Martin Riley		0.00032550	YY	R	5		0		N
					2901 S. 13th									
					Artesia	NM	88211-7526	SS#	/Tax-Id:	548-28-6033				
				ROD4000	Julia Rodabaugh		0.00195313	YY	R	5		0		N
					30063 US HWY 281 N									
					FMB #401									
					Bulverde	TX	78163-4311	SS#	/Tax-Id:	431-34-7409				

This application to the New Mexico Oil Conservation Division applies to the following unclaimed property owners in the State of Texas.

Barney A. Anglin, Jr.
Mary J. Bartlett
James Frederick Buck
Otis Ford, Jr.
Rex Harris
Ora Buck Howard/Deceased
Glenna Lancaster
Pauline Laughlin
Evelyn Martin Wagoner
Mrs. Thomas B. Warren

All addressed to:

Texas Comptrollers Office
Unclaimed Property
P. O. Box 12019
Austin, TX 78711

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0004 3740 9185

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



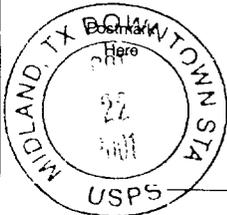
Sent To
ROBERT L ANGLIN
 Street, Apt. No., or PO Box No. **PO BOX 644**
 City, State, ZIP+4 **HAMILTON TX 76531**

PS Form 3800, January 2001 See Reverse for Instructions

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0004 3740 9352

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



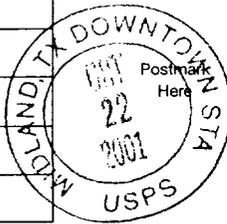
Sent To
LILLY MAE ANGLIN
 Street, Apt. No., or PO Box No. **MOUNTAIN SHADOWS NURSING CENTER**
 City, State, ZIP+4 **1105 HILL ROAD LAS CRUCES NM 88001**

PS Form 3800, January 2001 See Reverse for Instructions

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0004 3740 9602

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



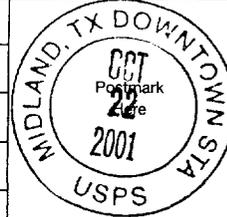
Sent To
THERESA MARY BRACY
 Street, Apt. No., or PO Box No. **21873 NE SKIDMORE**
 City, State, ZIP+4 **FAIRVIEW OR 97024**

PS Form 3800, January 2001 See Reverse for Instructions

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0004 3740 9604

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



Sent To
CAROLINE BILLINGS
 Street, Apt. No., or PO Box No. **C/O DONALD BILLINGS**
 City, State, ZIP+4 **ROUTE 1 BOX 33 FLORA IN 46929**

PS Form 3800, January 2001 See Reverse for Instructions

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0004 3740 9693

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



Sent To
THE BUCK FAMILY TRUST
 Street, Apt. No., or PO Box No. **MAE M. BUCK TRUSTEE**
 City, State, ZIP+4 **802 CLAYTON ARTESIA NM 88210**

PS Form 3800, January 2001 See Reverse for Instructions

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0004 3740 9628

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



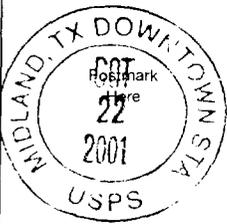
Sent To
BROOKS OIL & GAS INTERESTS LTD
 Street, Apt. No., or PO Box No. **PO BOX 23314**
 City, State, ZIP+4 **SANTA FE NM 87502-3314**

PS Form 3800, January 2001 See Reverse for Instructions

7001 0320 0004 3740 9574

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

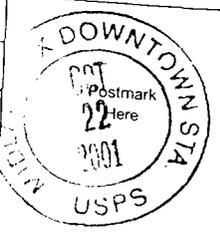


Sent To
 Street, Apt. No., or PO Box No. CHARLES EDWARD BUCK
 1801 SOUTH 17TH STREET
 City, State, ZIP+4 ARTESIA NM 88210

7001 0320 0004 3740 9574

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



Sent To
 Street, Apt. No., or PO Box No. BERNICE BUCK
 3605 W QUAY AVE.
 City, State, ZIP+4 ARTESIA NM 88210-3204

7001 0320 0004 3740 9576

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



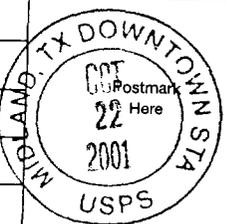
Sent To
 Street, Apt. No., or PO Box No. TED RAY BUCK
 3605 W QUAY AVE.
 City, State, ZIP+4 ARTESIA NM 88210-3204

7001 0320 0004 3740 9577

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



Sent To
 Street, Apt. No., or PO Box No. NOAH EUGENE BUCK III
 3711 GOLD STREET APT #9
 City, State, ZIP+4 LOS ALAMOS NM 87544

7001 0320 0004 3740 9567

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



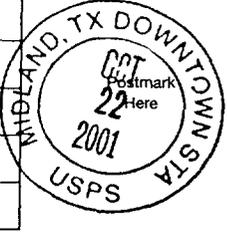
Sent To
 Street, Apt. No., or PO Box No. CHRISTENSEN PETROLEUM INC
 PO BOX 3790
 City, State, ZIP+4 MIDLAND TX 79702-3790

7001 0320 0004 3740 9566

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

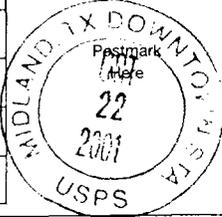


Sent To
 Street, Apt. No., or PO Box No. DAVID BYRD
 3227 W EUGIE AVENUE
 City, State, ZIP+4 PHOENIX AZ 85029-1284

9543 3740 0004 0320 7001

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



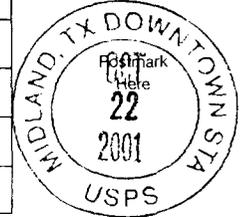
Sent To **COMMISSIONER OF PUBLIC LANDS**
 Street, Apt. No., or PO Box No. **PO BOX 1148**
 City, State, ZIP+4 **SANTA FE NM 87504-1148**

PS Form 3800, January 2001 See Reverse for Instructions

9550 3740 0004 0320 7001

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



Sent To **CLATX LTD**
 Street, Apt. No., or PO Box No. **6202 CORNELL**
 City, State, ZIP+4 **AMARILLO TX 79109**

PS Form 3800, January 2001 See Reverse for Instructions

9529 3740 0004 0320 7001

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



Sent To **DOROTHY WILSON GARRETT ET AL**
 Street, Apt. No., or PO Box No. **43183 W PLEASANT RIDGE ROAD**
 City, State, ZIP+4 **HAMMOND LA 70403**

PS Form 3800, January 2001 See Reverse for Instructions

9482 3740 0004 0320 7001

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



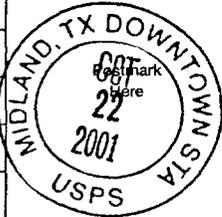
Sent To **FAULCONER 1996 LTD**
 Street, Apt. No., or PO Box No. **PO BOX 7995**
 City, State, ZIP+4 **TYLER TX 75711-7995**

PS Form 3800, January 2001 See Reverse for Instructions

9420 3740 0004 0320 7001

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



Sent To **JOHN PATRICK GAVIN**
 Street, Apt. No., or PO Box No. **921 N SAGE**
 City, State, ZIP+4 **RIALTO CA 92376**

PS Form 3800, January 2001 See Reverse for Instructions

9475 3740 0004 0320 7001

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



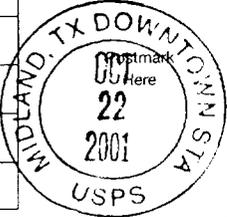
Sent To **FRANCIS JOSEPH GAVIN**
 Street, Apt. No., or PO Box No. **15935 SW ROYALTY PARKWAY**
 City, State, ZIP+4 **KING CITY OR 97224-2405**

PS Form 3800, January 2001 See Reverse for Instructions

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0004 3740 9499

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

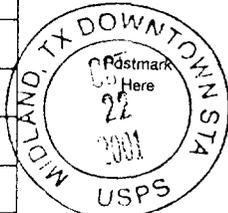


Sent To
 Street, Apt. No., or PO Box No. **ELLA J GRIM**
1032 SUSAN STREET
 City, State, ZIP+4 **AUBURN IN 46706-1522**

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0004 3740 9369

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

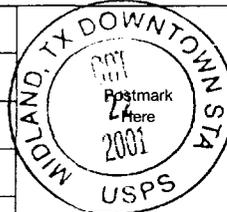


Sent To
 Street, Apt. No., or PO Box No. **LEO MARK GAVIN**
1946 CALIFORNIA
 City, State, ZIP+4 **GOODING ID 83330**

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0004 3740 9291

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

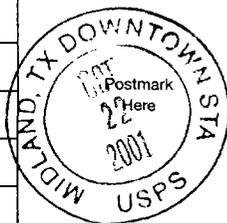


Sent To
 Street, Apt. No., or PO Box No. **MICHAEL WILLIAM GROOM**
5104 STILL BREEZE AVE.
 City, State, ZIP+4 **LAS VEGAS NV 89130**

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0004 3740 9314

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



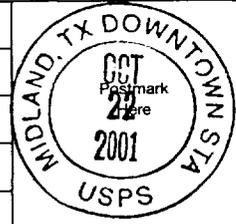
Sent To
 Street, Apt. No., or PO Box No. **MARY DOLORES GROOM**
113 HARVARD STREET
 City, State, ZIP+4 **LAS VEGAS NV 89107**

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0004 3740 9406

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



Sent To
 Street, Apt. No., or PO Box No. **JULIA ELLEN BUCK HAMPTON**
PO BOX 653
 City, State, ZIP+4 **ESTANCIA NM 87016**

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0004 3740 9208

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



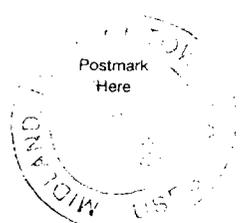
Sent To
 Street, Apt. No., or PO Box No. **ROBERT EMMETT GROOM**
1919 N BRUCE STREET
 City, State, ZIP+4 **N. LAS VEGAS NV 89030**

7001 0320 0004 3740 9321

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



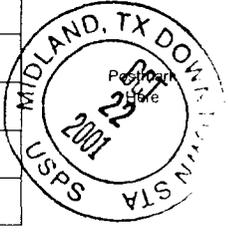
Sent To
 Street, Apt. No., or PO Box No. MARCEIL HARRIS
 410 W CENTRAL AVE.
 City, State, ZIP+4 BLUFFTON IN 46714-2408

7001 0320 0004 3740 9468

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



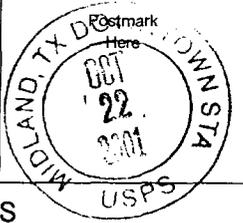
Sent To
 Street, Apt. No., or PO Box No. GLENDA S HARDISON
 410 5TH ST NE #14
 City, State, ZIP+4 WASHINGTON DC 20002

7001 0320 0004 3740 9161

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



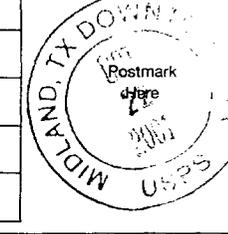
Sent To
 Street, Apt. No., or PO Box No. RONALD HARRIS
 PO BOX 29
 City, State, ZIP+4 OSSIAN IN 46777

7001 0320 0004 3740 9192

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



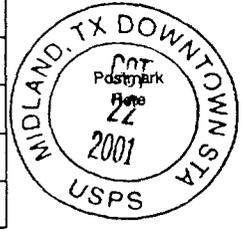
Sent To
 Street, Apt. No., or PO Box No. ROBERT HARRIS
 1405 VERMONT AVE.
 City, State, ZIP+4 FORT WAYNE IN 46805

7001 0320 0004 3740 9284

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



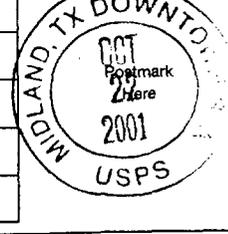
Sent To
 Street, Apt. No., or PO Box No. MRS CHARLES R HENDERSON
 534 S ADAMS ST.
 City, State, ZIP+4 MONTPELIER IN 47359

7001 0320 0004 3740 9048

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



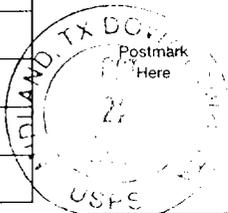
Sent To
 Street, Apt. No., or PO Box No. TOM HARRIS
 ROUTE 2 BOX 21
 City, State, ZIP+4 MONTPELIER IN 47359

7001 0320 0004 3740 9239

U.S. Postal Service CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



Sent To
 Street, Apt. No., or PO Box No. RICHARD B HENDERSON
 1318 N BAY DRIVE
 City, State, ZIP+4 LYNN HAVEN FL 32444

7001 0320 0004 3740 9376

U.S. Postal Service CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



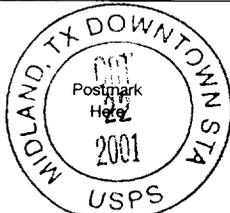
Sent To
 Street, Apt. No., or PO Box No. LARRY GENE HENDERSON
 327 S WASHINGTON STREET
 City, State, ZIP+4 MONTPELIER IN 47359-1438

7001 0320 0004 3740 9000

U.S. Postal Service CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



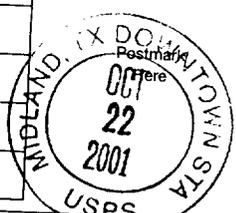
Sent To
 Street, Apt. No., or PO Box No. WILLIAM HENDERSON
 301 PARK AVE.
 City, State, ZIP+4 ELECTRA TX 76360

7001 0320 0004 3740 9215

U.S. Postal Service CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



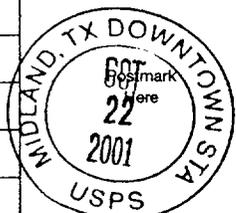
Sent To
 Street, Apt. No., or PO Box No. ROBERT D HENDERSON
 327 S WASHINGTON STREET
 City, State, ZIP+4 MONTPELIER IN 47359

7001 0320 0004 3740 9561

U.S. Postal Service CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



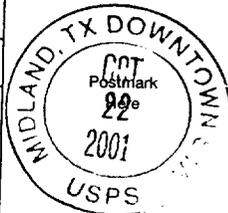
Sent To
 Street, Apt. No., or PO Box No. CAROLYN J BYRD HITT
 5144 BICKLEY COURT
 City, State, ZIP+4 SAN JOSE CA 95136-2602

7001 0320 0004 3740 9512

U.S. Postal Service CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

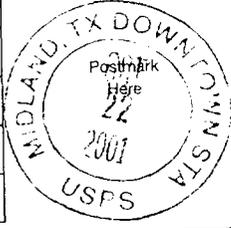


Sent To
 Street, Apt. No., or PO Box No. ELAINE K HESSON
 537 THOMPSON CR RD SP #41
 City, State, ZIP+4 APPLGATE OR 97530

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0004 3740 9222

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



Sent To **RICHARD HOWELL**
Street, Apt. No., or PO Box No. **PO BOX 94**
City, State, ZIP+4 **LAKEWOOD NM 88254**

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0004 3740 9086

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



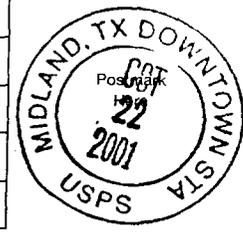
Sent To **THE JAMES H & BETTY R HOWELL**
Street, Apt. No., or PO Box No. **REVOCABLE TRUST
P O BOX 75**
City, State, ZIP+4 **LAKEWOOD NM 88254**

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0004 3740 9451

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



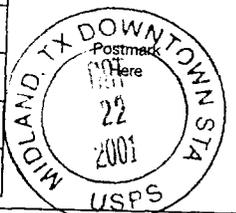
Sent To **GLENN LATTIMORE FAMILY LIMITED**
Street, Apt. No., or PO Box No. **500 W 7TH ST UNIT 16 STE 1802**
City, State, ZIP+4 **FT. WORTH TX 76102-4772**

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0004 3740 9307

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



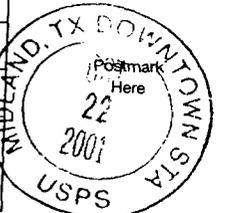
Sent To **MARY LEE KARLINS**
Street, Apt. No., or PO Box No. **88 GREEN STREET**
City, State, ZIP+4 **NEWBURY MA 01951**

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0004 3740 9611

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



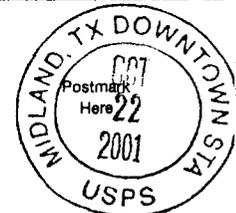
Sent To **CARL DEAN MARTIN**
Street, Apt. No., or PO Box No. **ROUTE 1**
City, State, ZIP+4 **ARTESIA NM 88210**

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0004 3740 9336

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



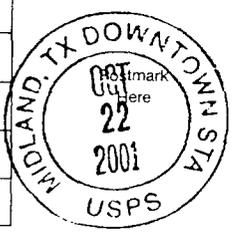
Sent To **MARATHON OIL COMPANY**
Street, Apt. No., or PO Box No. **PO BOX 552**
City, State, ZIP+4 **MIDLAND TX 79702-0552**

7001 0320 0004 3740 9363

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



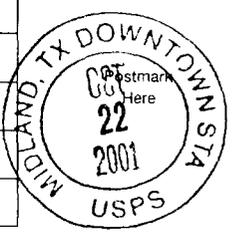
Sent To
 KENNETH W MEEKS
 Street, Apt. No., or PO Box No. 1407 W PRINCETON ST
 City, State, ZIP+4 ONTARIO CA 91762

7001 0320 0004 3740 9696

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



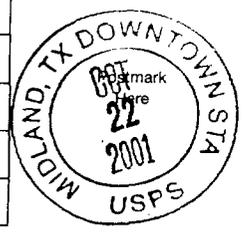
Sent To
 BILLY N MEEKS
 Street, Apt. No., or PO Box No. 29605 SOLANA WAY ATP T15
 City, State, ZIP+4 TEMECULA CA 92591

7001 0320 0004 3740 9642

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



Sent To
 BETTY HARRIS MURRAY
 Street, Apt. No., or PO Box No. 931 WENDEMERE DRIVE
 City, State, ZIP+4 SEYMOUR IN 47274-2705

7001 0320 0004 3740 9055

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



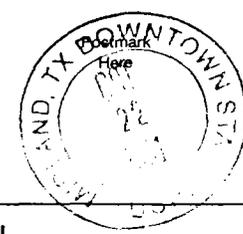
Sent To
 THOMAS M MORRIS
 Street, Apt. No., or PO Box No. 2308 E FRONT
 City, State, ZIP+4 TYLER TX 75701

7001 0320 0004 3740 9123

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



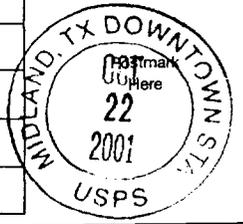
Sent To
 SARAH NEWMAN
 Street, Apt. No., or PO Box No. 1027 NO DIVISION
 City, State, ZIP+4 FORREST CITY AR 72335

7001 0320 0004 3740 9505

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

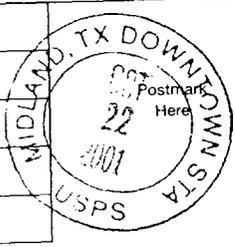
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



Sent To
 ELIZABETH MYERS
 Street, Apt. No., or PO Box No. C/O RICHARD HENDERSON
 City, State, ZIP+4 1318 N BAY DRIVE
 LYNN HAVEN FL 32444

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

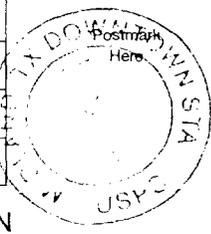


Sent To
 Street, Apt. No., or PO Box No. PETRO-CROWN RESOURCES LLC
 PO BOX 2506
 City, State, ZIP+4 WICHITA FALLS TX 76308

PS Form 3800, January 2001 See Reverse for Instructions

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



Sent To
 Street, Apt. No., or PO Box No. ROBERTA OWEN
 PO BOX 139
 City, State, ZIP+4 FRENCH GULCH CA 96033-0139

PS Form 3800, January 2001 See Reverse for Instructions

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

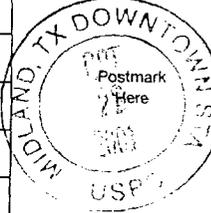


Sent To
 Street, Apt. No., or PO Box No. ORIAL M PUGSLEY
 12 HALF MOON BEND
 City, State, ZIP+4 CORONADO CA 92118

PS Form 3800, January 2001 See Reverse for Instructions

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



Sent To
 Street, Apt. No., or PO Box No. THERESA ANN GROOM POTTER
 113 HARVARD STREET
 City, State, ZIP+4 LAS VEGAS NV 89107

PS Form 3800, January 2001 See Reverse for Instructions

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



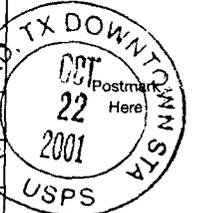
Sent To
 Street, Apt. No., or PO Box No. RUTH MARTIN RILEY
 2901 S 13TH
 City, State, ZIP+4 ARTESIA NM 88211-7526

PS Form 3800, January 2001 See Reverse for Instructions

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



Sent To
 Street, Apt. No., or PO Box No. PURE RESOURCES LP
 1600 SMITH ST STE 4600
 City, State, ZIP+4 HOUSTON TX 77002

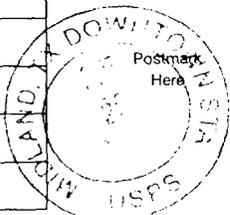
PS Form 3800, January 2001 See Reverse for Instructions

5526 0420 0004 3740 9128
 7001 0320 0004 3740 9260
 7001 0320 0004 3740 9079
 7001 0320 0004 3740 9246

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

4516 042E 3740 9154
 7001 0320 0000 02E0 1002

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



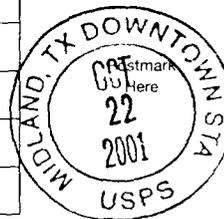
Sent To **ROSS FAMILY TRUST**
VEE K ROSS TRUSTEE
 Street, Apt. No., or PO Box No. **PO BOX 86**
 City, State, ZIP+4 **MIDLAND TX 79702-0086**

PS Form 3800, January 2001 See Reverse for Instructions

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

06E1 044E 3740 9390
 7001 0320 0000 02E0 1002

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



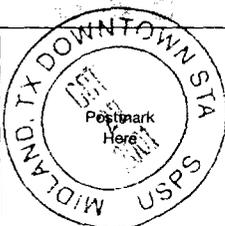
Sent To **JULIA RODABAUGH**
 Street, Apt. No., or PO Box No. **30063 US HWY 281 N PMB #401**
 City, State, ZIP+4 **BULVERDE TX 78163-4311**

PS Form 3800, January 2001 See Reverse for Instructions

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

06E1 042E 3740 9130
 7001 0320 0000 02E0 1002

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



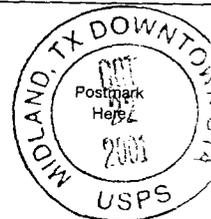
Sent To **SANDRA K STEWART**
 Street, Apt. No., or PO Box No. **3141 W 150 S**
 City, State, ZIP+4 **HARTFORD CITY IN 47348**

PS Form 3800, January 2001 See Reverse for Instructions

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

06E1 042E 3740 9031
 7001 0320 0000 02E0 1002

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



Sent To **VIVIAN L SIMPSON**
 Street, Apt. No., or PO Box No. **2698 SOUTH HULEN**
 City, State, ZIP+4 **FORT WORTH TX 76109**

PS Form 3800, January 2001 See Reverse for Instructions

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

543E 042E 3740 9345
 7001 0320 0000 02E0 1002

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



Sent To **LINDA D LOVE BARTON STRAHN**
 Street, Apt. No., or PO Box No. **0161 N 200 E**
 City, State, ZIP+4 **HARTFORD CITY IN 47348**

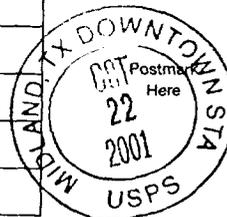
PS Form 3800, January 2001 See Reverse for Instructions

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

996E 042E 3740 9666
 7001 0320 0000 02E0 1002

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

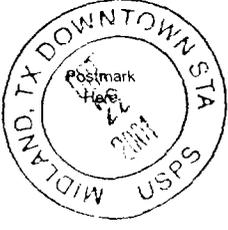


Sent To **BARBARA S STOREY**
 Street, Apt. No., or PO Box No. **6758 W QUAIL AVE.**
 City, State, ZIP+4 **GLENDAL AZ 85308**

PS Form 3800, January 2001 See Reverse for Instructions

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0004 3740 9109

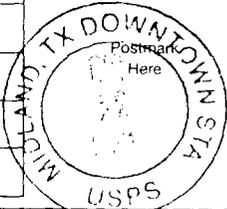
Postage	\$	
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

Sent To
 TEXAS ENERGY SUPPLY INC
 PO BOX 4848
 WICHITA FALLS TX 76308-0838

PS Form 3800, January 2001 See Reverse for Instructions

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0004 3740 8973

Postage	\$	
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

Sent To
 TEXAS COMPTROLLERS OFFICE
 UNCLAIMED PROPERTY
 PO BOX 12019
 AUSTIN TX 78711

PS Form 3800, January 2001 See Reverse for Instructions

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0004 3740 9024

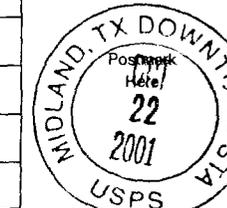
Postage	\$	
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

Sent To
 WANDA S UPDIKE
 1138 GILMER DRIVE
 SALT LAKE CITY UT 84152

PS Form 3800, January 2001 See Reverse for Instructions

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0004 3740 9598

Postage	\$	
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

Sent To
 CAROLYN E UPDIKE
 PO BOX 521773
 SALT LAKE CITY UT 84152

PS Form 3800, January 2001 See Reverse for Instructions

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0004 3740 9413

OFFICIAL USE

Postage	\$	
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

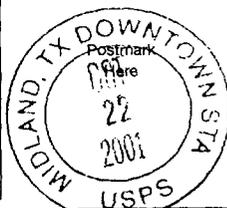
Sent To
 JUANITA WEBER
 149 COTTAGE AVENUE
 FOND DU LAC WI 54935

PS Form 3800, January 2001 See Reverse for Instructions

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0004 3740 9017

OFFICIAL USE

Postage	\$	
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

Sent To
 WANDA WALTER
 C/O FARMERS BANK
 125 W CENTER ST
 GREENWOOD AR 72936

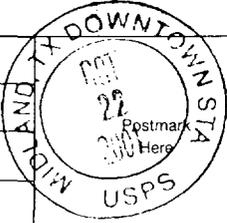
PS Form 3800, January 2001 See Reverse for Instructions

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**

(Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0004 3740 8980

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



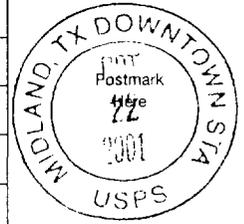
Sent To
 Street, Apt. No., or PO Box No. **ZIHLMAN FAMILY TRUST
 4463 RIDGEVALE ROAD
 FORT WORTH TX 76116**
 City, State, ZIP+4

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**

(Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0004 3740 8997

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

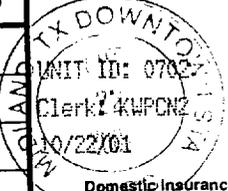


Sent To
 Street, Apt. No., or PO Box No. **YATES PETROLEUM CORP
 105 S 4TH ST
 ARTESIA NM 88210**
 City, State, ZIP+4

Registered No. **RR 846 313 262 US**

Date Stamp

To Be Completed By Post Office	Reg. Fee \$ 7.25	Special Delivery \$
	Handling Charge \$	Return Receipt \$ 1.50
	Postage \$ 4.00	Restricted Delivery \$
	Received by <i>[Signature]</i>	



Customer Must Declare Full Value \$ **0**

With Postal Insurance
 Without Postal Insurance

Domestic Insurance Is Limited To \$25,000; International Indemnity Is Limited (See Reverse)

To Be Completed By Customer (Please Print) All Entries Must Be in Ballpoint or Typed

FROM **Fasken Oil & Ranch, Ltd.
 303 West Wall Ave, Suite 1800
 Midland, TX 79701**

TO **Margaret Updike
 Timbers Chase, Ruxbury Rd.
 Chertsey, Surrey, U.K. KT16 9NT**

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Fasken Oil and Ranch, Ltd.

3. Address and Telephone No.
303 W. Wall Ave., Suite 1800, Midland, TX 79701-5116 (915) 687-1777

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2449' FNL and 408' FEL
Sec. 31, T20S, R25E

5. Lease Designation and Serial No.
NM-0488813

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
Cameron "31" Federal No. 2

9. API Well No.

10. Field and Pool, or Exploratory Area
Cemetery - Morrow

11. County or Parish, State
Eddy, NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

TYPE OF ACTION

- Abandonment
- Recompletion
- Plugging Back
- Casing Repair
- Altering Casing
- Other Change location
- Change of Plans
- New Construction
- Non-Routine Fracturing
- Water Shut-Off
- Conversion to Injection
- Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Changing proposed location from 1300' FNL and 660' FEL to 2449' FNL and 408' FEL, Section 31, T20S, R25E, Eddy County, NM.

Amended plat is attached herewith.

14. I hereby certify that the foregoing is true and correct

Signed Tommy C. Taylor Title Drilling & Production Engineer Date 10/10/01

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:

DISTRICT I
1626 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT III
1000 Rio Brazos Rd., Artesia, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87506

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 74640	Pool Name Cemetery - Morrow
Property Code	Property Name CAMERON "31" FEDERAL	Well Number 2
OGRID No. 151416	Operator Name FASKEN OIL AND RANCH, LTD	Elevation 3666'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	31	20 S	25 E		2449	NORTH	408	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No. Com. Agreement SW-888						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>Lat.: N32°31'49.8" Long.: W104°31'00.7"</p>	<p>3676.9'</p>	<p>3667.8'</p>	<p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p><u>Tommy E. Taylor</u> Signature</p> <p>Tommy E. Taylor Printed Name</p> <p>Drilling & Production Engineer Title</p> <p>10/10/01 Date</p>
				<p>SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>OCTOBER 23, 2001 Date Surveyed</p> <p>Signature & Seal of Professional Surveyor</p> <p>W.O. No. 1844</p> <p>Certificate No. Gary Jones 7977</p> <p>JLP DASIN SURVEYS</p>

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
 DRILL DEEPEIN

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER
 SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 Fasken Oil and Ranch, Ltd.

3. ADDRESS AND TELEPHONE NO.
 303 W. Wall Ave., Suite 1800, Midland, TX 79701-5116 (915) 687-1777

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 1300' FNL and 660' FEL
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 11 miles Southwest from Lakewood

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 660'

16. NO. OF ACRES IN LEASE 599.2

17. NO. OF ACRES ASSIGNED TO THIS WELL 320

18. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2532'

19. PROPOSED DEPTH 9850'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 3632' GR

22. APPROX. DATE WORK WILL START*
 May 15, 2001

5. LEASE DESIGNATION AND SERIAL NO.
 NM-0488813

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.
 Cameron "31" Federal No. 2

9. WELL NO.

10. FIELD AND POOL, OR WILDCAT
 Cemetary - Morrow

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Sec. 31, T20S, R25E

12. COUNTY OR PARISH **13. STATE**
 Eddy NM

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17½"	13-3/8", H40	48.0	400'	450 sx, circulate to surface
12¾"	9-5/8", J-55	36.0	3000'	1050 sx, circulate to surface
8 3/4"	4½", N-80	11.6#	9850'	1075 sx, TOC est. 6000'

The operator proposes to drill to a depth sufficient to test the Morrow formation. If productive, 4½" casing will be set at TD and cemented back to approximately 6000'. If non-commercial, the well will be plugged and abandoned in accordance with Federal regulations.

- Drilling Program
 Surface Use and Operating Plan
 Exhibit #1 - Area Map
 Exhibit #2 - One-Mile Radius Map
 Exhibit #3 - Hydrogen Sulfide Drilling Operations Plan
 Exhibit #4 - Well Site Layout
 Exhibit #5 - Blowout Preventor Equipment

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.
 SIGNED Tommy G. Taylor TITLE Drilling and Production Engineer DATE 3/27/01

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject land.
 CONDITIONS OF APPROVAL, IF ANY:

Exhibit 8

APPROVED BY _____ TITLE _____

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Artec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

Form C-102
 Revised February 21, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code 74640		3 Pool Name Cemetery (Morrow)	
4 Property Code		5 Property Name CAMERON "31" FEDERAL			6 Well Number 2
7 OGRID No. 151416		8 Operator Name FASKEN OIL & RANCH, LTD			9 Elevation 3632

10 Surface Location

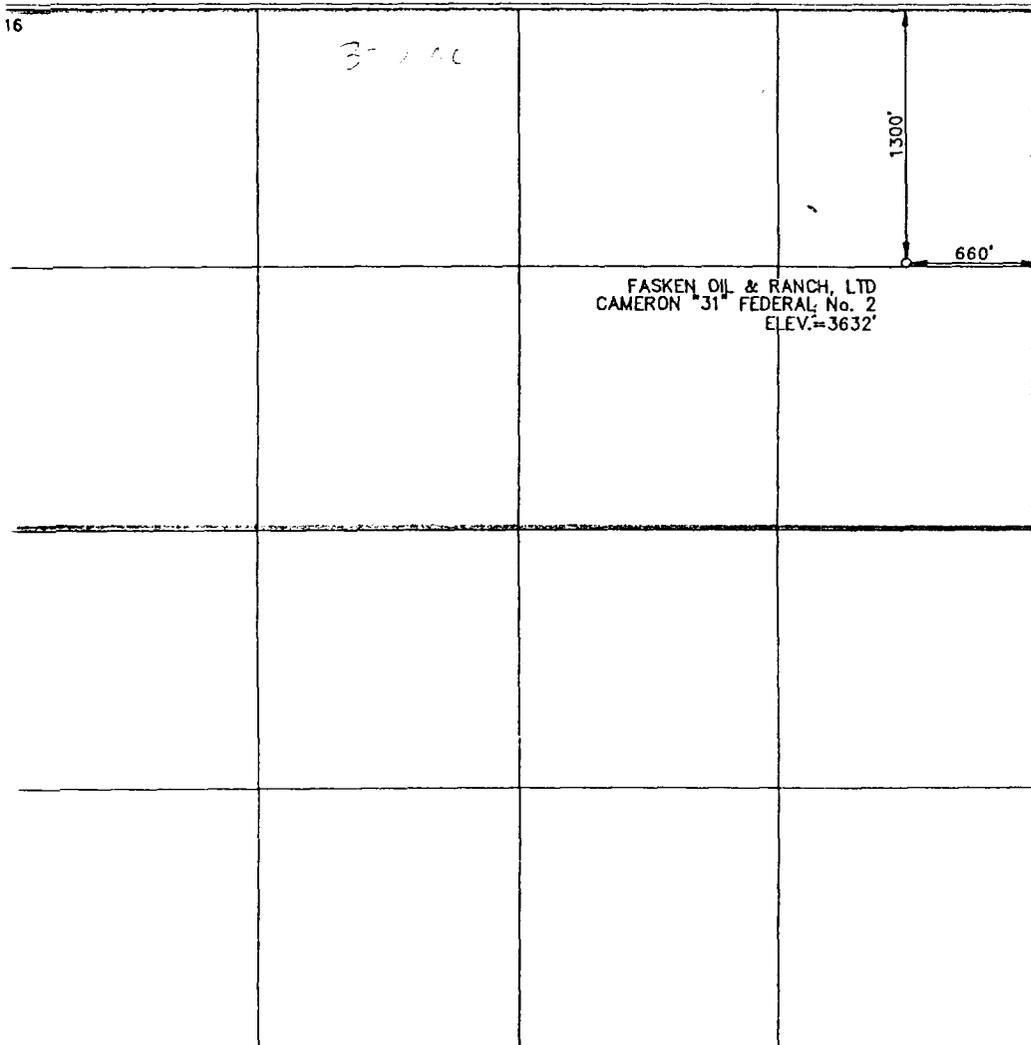
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	31	20	25		1300	NORTH	660	EAST	EDDY

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 320		13 Joint or Infill		14 Consolidation Code		15 Order No. Com. Agreement SW-888	
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Tommy E. Taylor

Signature
 Tommy E. Taylor
 Printed Name
 Drilling and Production Engineer
 Title
 3/27/01
 Date

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to best of my belief.

OCTOBER 4, 2000
 Date of Survey

Signature and Seal of Registered Professional Surveyor:
James E. Tompkins

Certificate Number 14729

STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS

Fasken Oil and Ranch, Ltd. accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below:

LEASE NO.: NM-0488813

LEGAL DESCRIPTION: Sec.31, T-20-S, R-25-E.

FORMATION(S): All depths.

BOND COVERAGE: \$25,000

BLM BOND FILE: NM0152

Fasken Oil and Ranch, Ltd.
by: Fasken Management, LLC
Its General Partner



Benjamin L. Blake
Vice-President



Date: 3/09/01

SURFACE USE PLAN

FASKEN OIL AND RANCH, LTD.
CAMERON "31" FEDERAL NO. 2
1300' FNL & 660' FEL
Sec. 31, T20S, R25E
Eddy County, New Mexico

1. EXISTING ROADS - Area map, Exhibit #1, is a reproduction of the U.S.G.S., Foster Ranch Quadrangle. Existing and proposed roads are shown on the exhibit. All roads shall be maintained in a condition equal to that which existed prior to start of construction.
 - A. Exhibit #1 shows the proposed development well site as staked.
 - B. From Carlsbad, New Mexico, travel North on U.S. Highway 285, turn West on White Pine road and go 8 miles. Turn North on calchie road 1-1/2 miles to location.
2. PLANNED ACCESS ROADS - 1238' of new access road will be constructed. The new access road consists of 662' on State Lands and 576' on Federal Lands.
3. LOCATION OF EXISTING WELLS IN A ONE-MILE RADIUS.
 - A. Water wells - Howell Ranch house in S/2 Sec 32, T20S, R25E.
 - B. Disposal wells - None Known.
 - C. Drilling wells - Fasken Oil and Ranch, Ltd. Neely Com. No. 1.
 - D. Producing wells - As shown on Exhibit #2

Fasken Oil and Ranch, Ltd.:	Howell State Com. No. 1
Fasken Oil and Ranch, Ltd.:	State "32" No. 1
Fasken Oil and Ranch, Ltd.:	Howell Federal No. 1
 - E. Abandoned wells - As shown on Exhibit #2.

Mobil:	Federal "W" No.1
Read and Stevens:	Allirish No.1
Castle and Wigzell:	No. National Federal No. 1
Whiting and Grant:	Howell No. 1
4. If, upon completion, the well is a producer Fasken Oil and Ranch, Ltd. will furnish maps or plats showing "On Well Pad Facilities" and "Off Well Pad Facilities" (if needed) on a Sundry Notice before construction of these facilities starts.

5. LOCATION AND TYPE OF WATER SUPPLY

Fresh and Brine water will be purchased locally from a private source and trucked over the access roads.

6. SOURCE OF CONSTRUCTION MATERIALS

If needed, construction materials will be obtained from the drill sites excavations or from a local source. These materials will be transported over the access roads as shown on Exhibit #1.

7. METHOD FOR HANDLING WASTE DISPOSAL

- A.
1. Drill cuttings will be disposed of in the reserve pit.
 2. Trash, waste paper, and garbage will be contained in a trash trailer and disposed of in an approved public landfill.
 3. All mud materials including salts will be picked up by the mud supplier and transported back to their warehouse facilities.
 4. Sewage from trailer houses will drain into hole with a minimum depth of 10'. A "Porta John" will be provided for the rig crews. This will be properly maintained and removed after drilling operations are completed.
 5. Chemicals remaining after completion of the well will be stored in the manufacturer containers and picked up by the supplier.
- B. Remaining drilling fluids will be allowed to evaporate in the reserve pit until the pit is dry enough for backfilling. In the event drilling fluids will not evaporate in a reasonable period of time, they will be transported by tank truck to a state approved disposal site.

Water produced during testing of the well will be disposed of in the reserve pit. Oil produced during the testing of the well will be stored in test tanks until sold and hauled from the site.

8. ANCILLARY FACILITIES

No camps or airstrips will be constructed.

9. WELL SITE LAYOUT

- A. Exhibit #3 is the H₂S Drilling Operations Plan.
- B. Exhibit #4 (Scale 1" = 50') shows the proposed well site layout.

- C. This exhibit indicates the proposed location of reserve pit, trash trailer and living facilities.
- D. Mud pits in the active circulation system will be steel pits.
- E. The reserve pit will be lined with a polyethylene liner. The pit liner will be a minimum of 2' over the reserve pit walls where the liner will be anchored down.
- F. The reserve pit will be fenced on three sides with four strands of barbed wire during drilling and completion operations. The fourth side will be fenced after drilling has been completed. If the well is a producer, the reserve pit fence will be torn down. The reserve pit and those areas of the location not essential to production facilities will be reclaimed and seeded per BLM requirements.

10. PLANS FOR RESTORATION OF SURFACE

Rehabilitation of the location and reserve pit will start in a timely manner after all drilling operations cease. The type of reclamation will depend on whether the well is a producer or a dry hole.

However, in either event, the reserve pit will be allowed to dry properly, and fluid removed and disposed of in accordance with Article 7.B as previously noted. The pit area will then be leveled and contoured to conform to the original and surrounding area. Drainage systems, if any, will be reshaped to the original configuration with provisions made to alleviate erosion. These may need to be modified in certain circumstances to prevent inundation of the location pad and surface facilities. After the area has been shaped and contoured, top soil from the spoil pile (if any) will be placed over the disturbed area to the extent possible. Revegetation procedures will comply with BLM standards.

If the well is a dry hole, the pad and road area will be recontoured to match the existing terrain. Topsoil will be spread to the extent possible. Revegetation will comply with BLM standards.

Should the well be a producer, the previously noted procedures will apply to those areas which are not required for production facilities.

11. OTHER INFORMATION

- A. The topography is of hilly terrain with vegetation of sagebrush and native grasses. The soils are silty and very shallow.
- B. The surface is used for livestock grazing. The surface is leased by Richard Howell, P.O. Box 94, Lakewood, NM 88256.
- C. An archeological study will be sent to the BLM when completed.
- D. There are no buildings of any kind in the area.

12. OPERATOR'S REPRESENTATIVE - Field representative for contact regarding compliance with the Surface Use Plan is:

Before, during & after Construction:

Tommy E. Taylor
303 W. Wall Ave., Suite 1900
Midland, Texas 79701-5116
(915) 687-1777

13. CERTIFICATION - I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exists; that the statements made in this plan are to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Fasken Oil and Ranch, Ltd. and its contractors/subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

NAME: Tommy E. Taylor
DATE: 3/27/2001
TITLE: Drilling and Production Engineer

TET
(Cameron322apd)

APPLICATION FOR PERMIT TO DRILL
FASKEN OIL AND RANCH, LTD.
CAMERON "31" FEDERAL NO. 2
1300' FNL & 660' FEL
SEC.31, T20S, R25E
EDDY COUNTY, NM

In conjunction with Form 3160-3, Application for Permit to Drill, Fasken Oil and Ranch, Ltd. submits the following items of pertinent information in accordance with Onshore Oil & Gas Order Nos. 1 & 2, and with all other applicable federal and state regulations.

1. The geologic surface formation is of Permian age.
2. Estimate tops of geologic markers are as follows:

San Andres	747'
Glorietta	2383'
Bone Springs	3536'
3rd Bone Springs	6240'
Wolfcamp	6353'
Cisco	7133'
Canyon	7559'
Strawn	8121'
Atoka	8882'
Morrow Clastics	9162'
Lower Morrow	9492'
Barnett Shale	9558'

3. The estimated depths at which water, oil or gas formation are expected to be encountered:

Strawn	8121'	Gas
Atoka	8882'	Gas
Morrow	9162'	Gas

* Groundwater to be protected by 13-3/8" surface casing with cement circulated to the surface.

** Potentially productive horizons to be protected by 4-1/2" production casing with cement top at 6000'.

4. Proposed Casing Program:

<u>String</u>	<u>Footage</u>	<u>Size</u>	<u>Weight</u>	<u>Grade</u>	<u>Thread</u>
Surface	400'	13-3/8"	48.00#	H-40	ST&C
Intermediate	3,000'	9-5/8"	36.00#	J-55	ST&C
Production	9,850'	4-1/2"	11.60#	N-80	LT&C
Tubing	9,750'	2-3/8"	4.70#	N-80	EUE 8rd

Proposed Cementing Program:

Cement 13-3/8" casing with 450 sx Class "C" cement with 2% CaCl₂ (s.w. 14.8 ppg, yield 1.32 cuft/sx).

Cement 9-5/8" casing with 850 sx Class "C" with 4% gel and 2% CaCl₂ (s.w. 13.51 ppg, yield 1.74 ft³/sx) plus 200 sx Class "C" with 2% CaCl₂ (s.w. 14.8 ppg, yield 1.34 ft³/sx).

Cement 4-1/2" production casing (resin coated and centralized through pay zones) with 150 bbls 3% KCl water containing 15 gallons packer fluid, 375 sx BJ Lite "C" with 0.3% FL-52 (s.w. 12.4 ppg, yield 2.0 ft³/sx) plus 700 sx Super "C" Modified (CSE) with 3% KCl, 0.6% FL-25 and 0.6% FL-52 (s.w. 13.2 ppg, yield 1.59 ft³/sx).

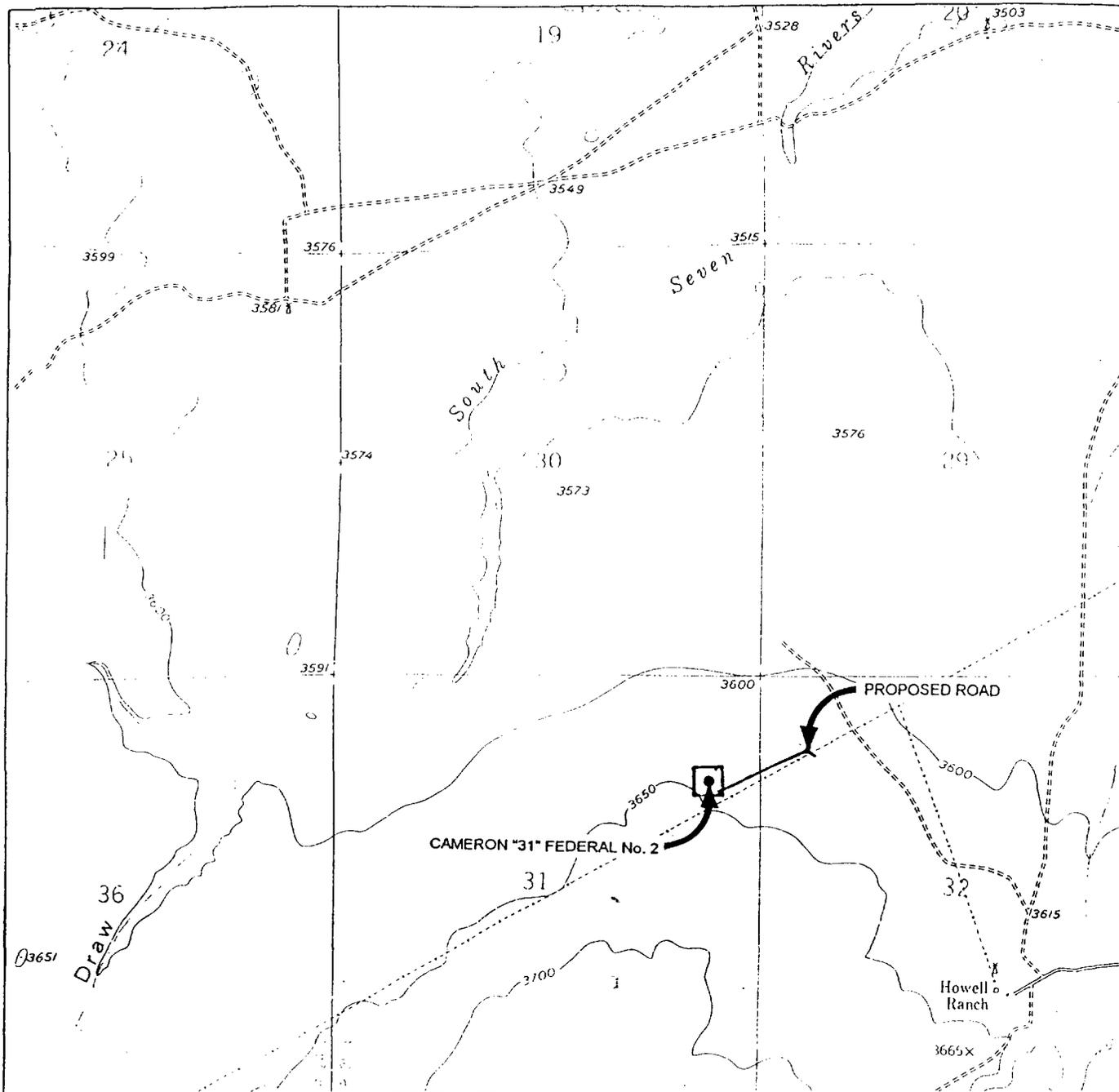
5. Pressure Control Equipment: See Exhibit #5. Operator proposes to pressure test BOP stack with rig pump to 1500 psig prior to drilling out the 9-5/8" casing shoe. BOP hydrotest will be conducted on first bit trip or prior to drilling the Wolfcamp formation. Operator proposes to use only one ram type or annular type preventor to drill the intermediate hole to 3000'.

6. Mud Program:

<u>Depth</u>	<u>Type</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Waterloss</u>
0-400'	Fresh Water	8.5	40	N.C.
400'-3000'	Fresh Water	8.5	28	N.C.
3000'-5000'	Fresh Water	8.5	28	N.C.
5000'-8700'	Cut Brine	9.0	29	N.C.
8700' - 9850'	XCD/Pac	9.5-10.0	36	10 cc

7. Auxiliary Equipment: Upper Kelly Cock, Full Opening Stabbing Valve, PVT.
8. Testing Logging and Coring Programs:
 - DST's: DST any mudlog shows.
 - Logging: 2-man Mudlogging unit from 6000' to T.D.
 - Electric Logs: Platform Express with CNL-LDT, DLL-MSFL, GR and Caliper.
 - Coring: None anticipated
9. Abnormal Pressure, Temperatures or Other Hazards: Lost circulation is anticipated in the surface. Maximum bottomhole pressure is estimated to be 4300 psig.
10. Anticipated Starting Date: May 15, 2001.

LOG, ION VERIFICATION M 7



SCALE: 1" = 2000'
WTC 46032

SEC. 31 TWP. 20-S RGE. 25-E

SURVEY N.M.P.M

COUNTY EDDY STATE NM

DESCRIPTION 1300' FNL & 660' FEL

ELEVATION 3632'

OPERATOR FASKEN OIL & RANCH, LTD.

LEASE CAMERON 31 FEDERAL No. 2

USGS TOPO MAP FOSTER RANCH, NEW MEXICO.

CONTOUR INTERVAL 10'

WEST TEXAS CONSULTANTS, INC.

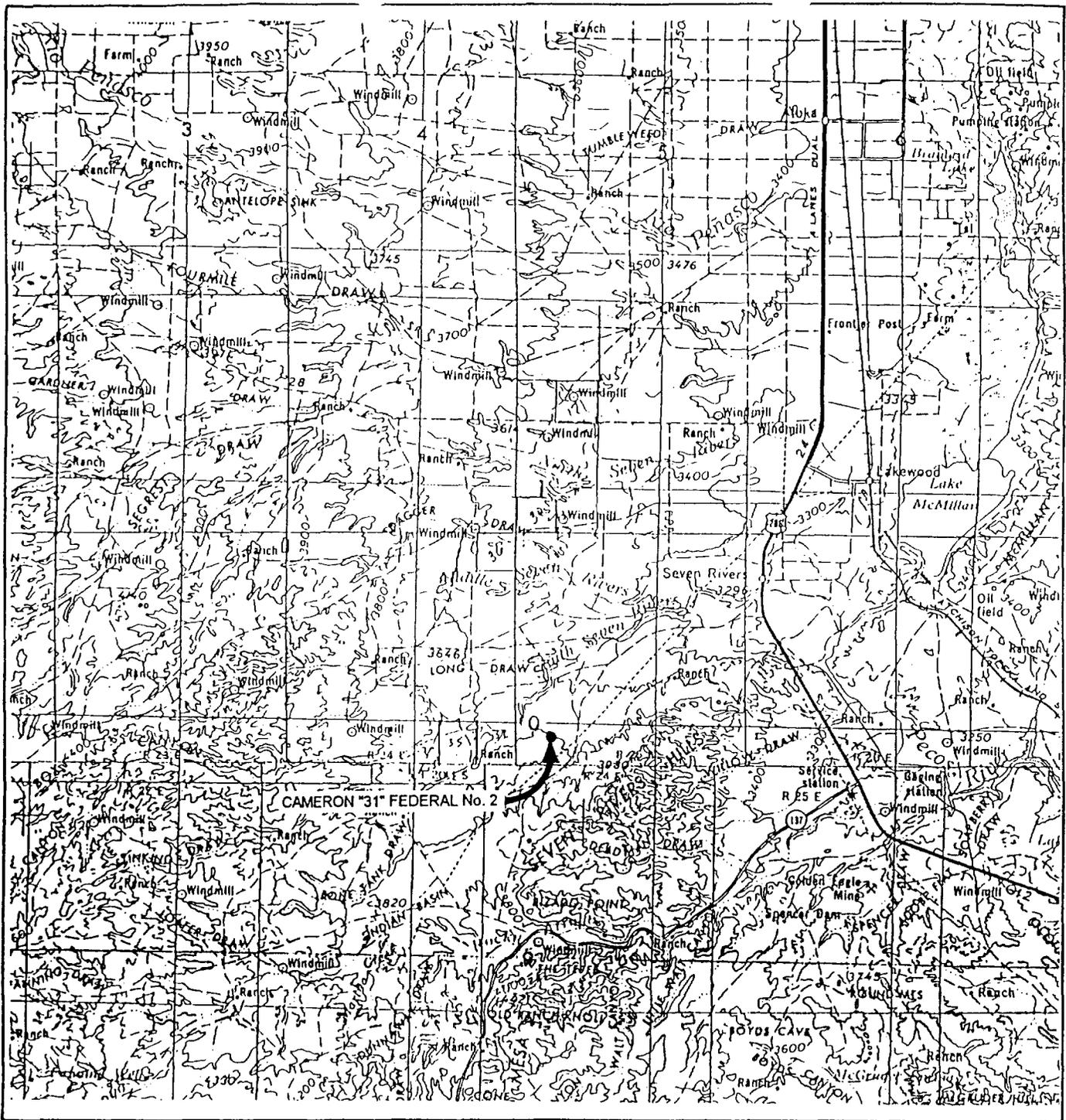
ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

915-685-3800

Exhibit # 1

VICINITY MAP

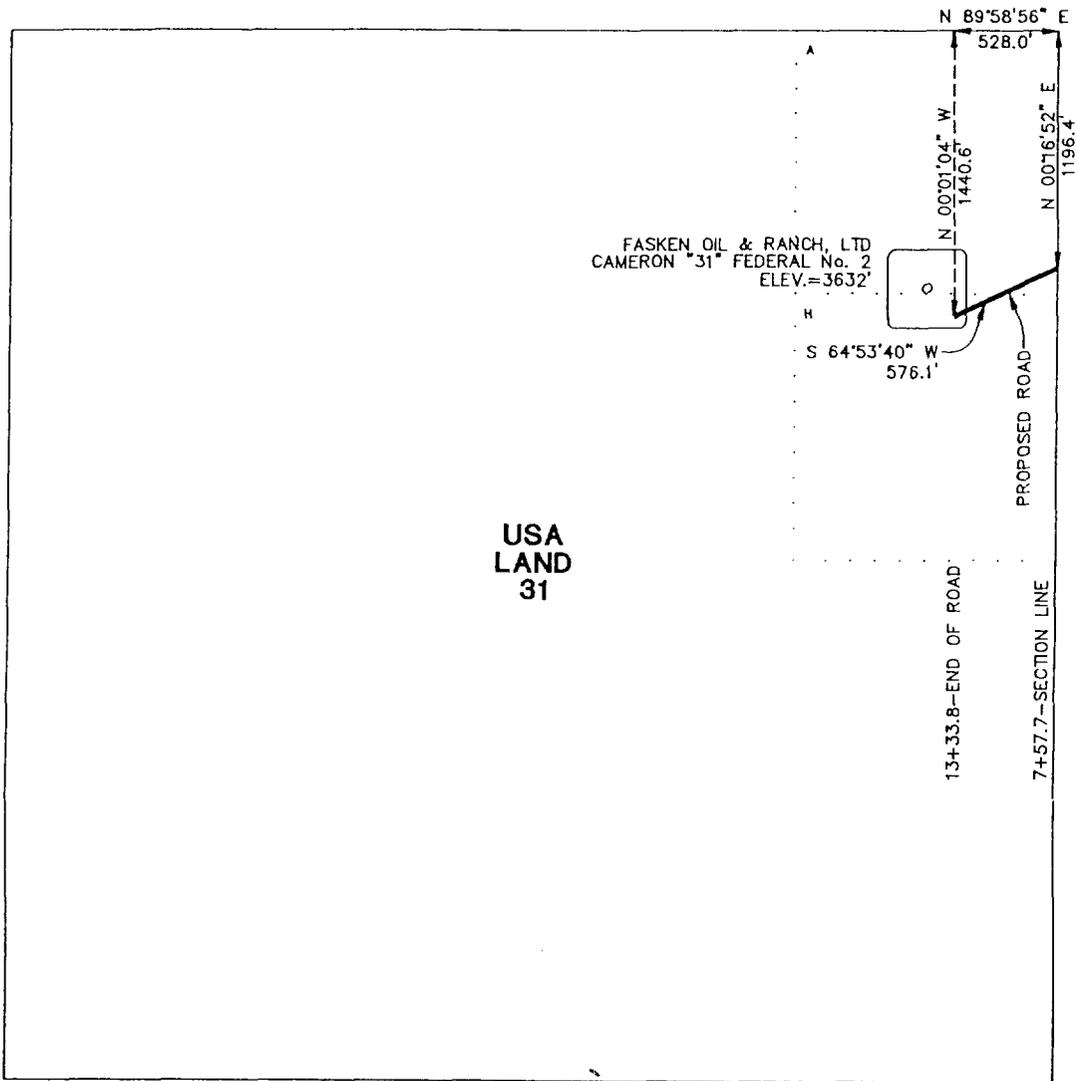


SCALE: 1" = 4 MILES

WTC 46032
 SEC. 31 TWP. 20-S RGE. 25-E
 SURVEY N.M.P.M.
 COUNTY EDDY STATE NM
 DESCRIPTION 1300' FNL & 660' FEL
 ELEVATION 3658'
 OPERATOR FASKEN OIL & RANCH, LTD.
 LEASE CAMERON "31" FEDERAL No. 2

WEST TEXAS CONSULTANTS, INC.
 ENGINEERS-PLANNERS-SURVEYORS
 MIDLAND, TEXAS
 915-685-3800

SECTION 31, TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M.
EDDY COUNTY, NEW MEXICO



CENTERLINE DESCRIPTION OF A PROPOSED ROAD:

BEGINNING at a point in the east line of Section 31, T-20-S, R-25-E, N.M.P.M., Eddy County, New Mexico, from which point the northeast corner of said Section 31 bears N 00° 16' 52" E, 1196.4 feet;

THENCE S 64° 53' 40" W, with the centerline of proposed road, 576.1 feet to a point in the southeast corner of a well pad for Fasken Oil & Ranch, Ltd., CAMERON "31" FEDERAL No. 2, for the end of this road, from which point the northeast corner of said Section 31 bears N 00° 01' 04" W, 1440.6 feet and N 89° 58' 56" E, 528.0 feet.

I hereby certify that this plat was prepared from an actual survey made on the ground and meets or exceeds all requirements for land surveys as specified by the state of New Mexico.



James E. Tompkins
JAMES E. TOMPKINS
Registered Professional Surveyor
New Mexico Certificate No. 14729

PROPOSED ROAD TO SERVE
CAMERON "31" FEDERAL No. 2

FASKEN OIL & RANCH, LTD

576.1 feet of proposed road in
Section 31, T-20-S, R-25-E, N.M.P.M.,
Eddy County, New Mexico

WEST TEXAS CONSULTANTS, INC.

ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

Survey Date: 10-4-00

Date: 10-5-00

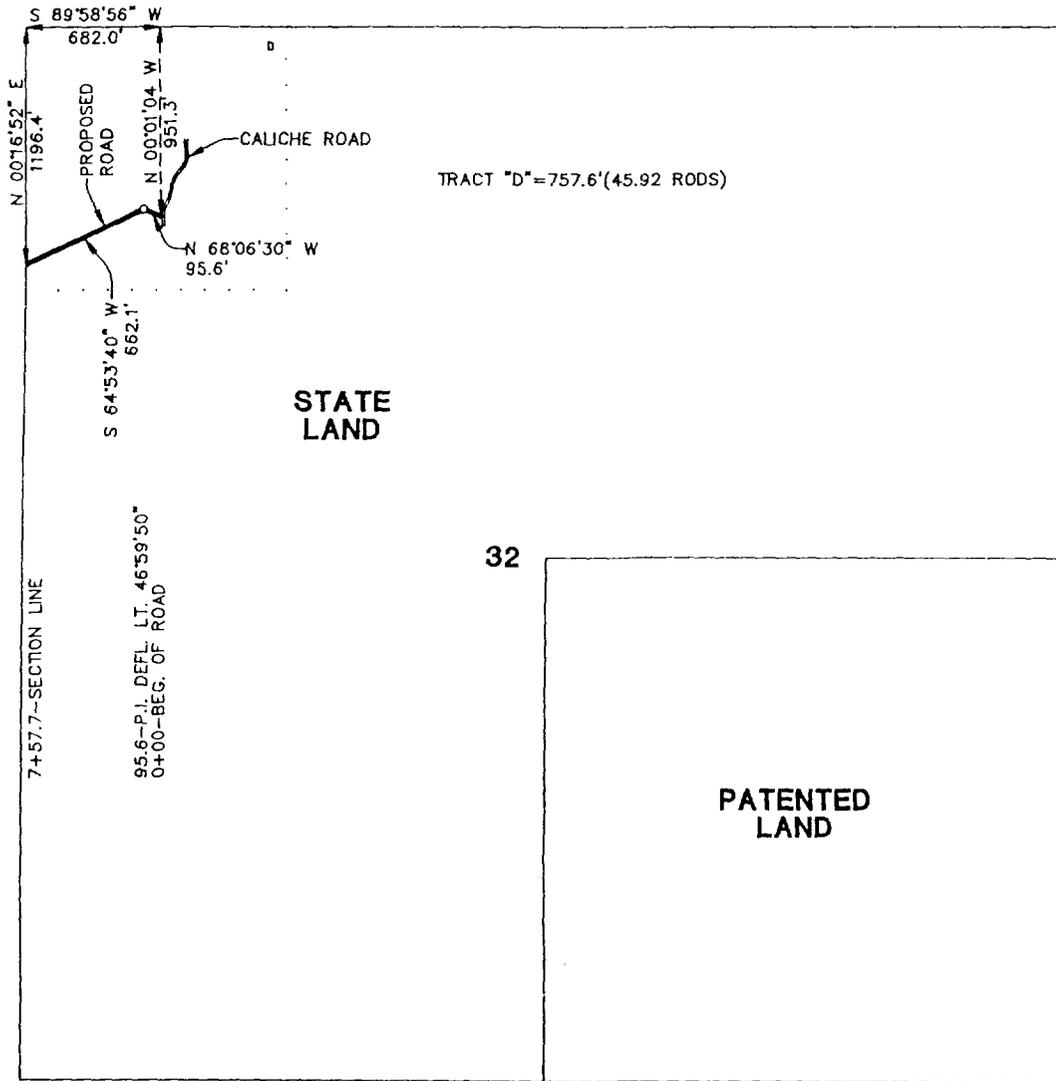
Scale: 1" = 1000'

WTC No.: 46032

Drawn By: JWD

Sheet 2 of 2

SECTION 32, TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M.
EDDY COUNTY, NEW MEXICO



CENTERLINE DESCRIPTION OF A PROPOSED ROAD:

BEGINNING at a point in a caliche road, from which point the northwest corner of Section 32, T-20-S, R-25-E, N.M.P.M., Eddy County, New Mexico, bears N 00° 01' 04" W, 951.3 feet and S 89° 58' 56" W, 682.0 feet;
 THENCE N 68° 06' 30" W, with the centerline of proposed road, 95.6 feet to a point for a bend in this road;
 THENCE S 64° 53' 40" W, with the centerline of proposed road, 662.1 feet to a point in the west line of said Section 32, for the end of this road, from which point the northwest corner of said Section 32 bears N 00° 16' 52" E, 1196.4 feet.

PROPOSED ROAD TO SERVE
CAMERON "31" FEDERAL No. 2

I hereby certify that this plat was prepared from an actual survey made on the ground and meets or exceeds all requirements for land surveys as specified by the state of New Mexico.

James E. Tompkins
 JAMES E. TOMPKINS
 REGISTERED PROFESSIONAL LAND SURVEYOR
 NEW MEXICO
 14729

JAMES E. TOMPKINS
 Registered Professional Surveyor
 New Mexico Certificate No. 14729

FASKEN OIL & RANCH, LTD

757.7 feet of proposed road in
 Section 32, T-20-S, R-25-E, N.M.P.M.,
 Eddy County, New Mexico

WEST TEXAS CONSULTANTS, INC.

ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

Survey Date: 10-4-00

Date: 10-5-00

Scale: 1" = 1000'

WTC No.: 46032

Drawn By: JWD

Sheet 1 of 2

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

EXHIBIT #3
FASKEN OIL AND RANCH, LTD.
CAMERON "31" FEDERAL NO. 2
1300' FNL & 660' FEL
SEC.31, T20S, R25E
EDDY COUNTY, NM

I. Hydrogen sulfide Training.

All personnel, whether regularly assigned, contracted or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on this well:

1. The hazards and characteristics of hydrogen sulfide (H₂S).
2. The proper use and maintenance of personal protective equipment and life support systems.
3. The proper use of H₂S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
4. The proper techniques of first aid and rescue procedures.

In addition the supervisory personnel will be trained in the following areas:

1. The effects of H₂S on metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
2. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
3. The contents and requirements of the H₂S Drilling Operations Plan.

There will be an initial training session just prior to encountering a known or probable H₂S zone (within 3 days or 500 feet) and weekly H₂S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H₂S Drilling Operations Plan. This plan shall be available at the well site. All personnel will be required to carry documentation that they have received the proper training.

II. H2S Safety Equipment and Systems.

NOTE: All H2S safety equipment and systems will be installed, tested, and operational when drilling reaches a depth of 500 feet above or three days prior to penetration the first zone containing or reasonable expected to contain H2S.

1. Well Control Equipment:

- A. Flare line.
- B. Choke manifold.
- C. Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit.
- D. Auxiliary equipment to include: annular preventer, mud-gas separator (if necessary) and rotating head.

2. Protective equipment for essential personnel:

- A. 5-minute escape units located in the dog house and 30-minute air units at briefing areas, as indicated on well site diagram.

3. H2S detection and monitoring equipment:

- A. 3 - portable H2S monitors positioned on location for best coverage and response. These units have warning lights and audible sirens when H2S levels of 20 PPM are reached.
- B. 1 - portable SO2 monitor positioned near flare line during H2S flaring operations.

4. Visual warning systems:

- A. Wind direction indicators as shown on well site diagram.
- B. Caution/Danger signs shall be posted on roads providing direct access to location. Signs will be painted a high visibility yellow with black lettering of sufficient size to be a readable distance from the immediate location.

5. Mud program:

- A. The mud program has been designed to minimize the volume of H2S circulated to the surface. Proper mud weight safe drilling practices and the use of H2S scavengers when necessary will minimize hazards when penetrating H2S bearing zones.
- B. A Mud-gas separator will be utilized.

6. Metallurgy:

A. All drill strings, casings, tubing, wellhead, blowout preventors, drilling spools kill lines, choke manifold and lines valves shall be suitable for H₂S service.

B. All elastomers used for packing and seals shall be H₂S trimmed.

7. Communications:

A. Radio communications will be available in company vehicles and rig dog house.

8. Well testing:

A. Drill stem testing will be performed with a minimum number of personnel in the immediate vicinity which are necessary to safely and adequately conduct the test. The drill stem testing of any known formation that contains H₂S will be conducted during daylight hours.

Fasken Oil and Ranch, Ltd.
 Cameron "31" Federal No. 2
 Eddy County, NM

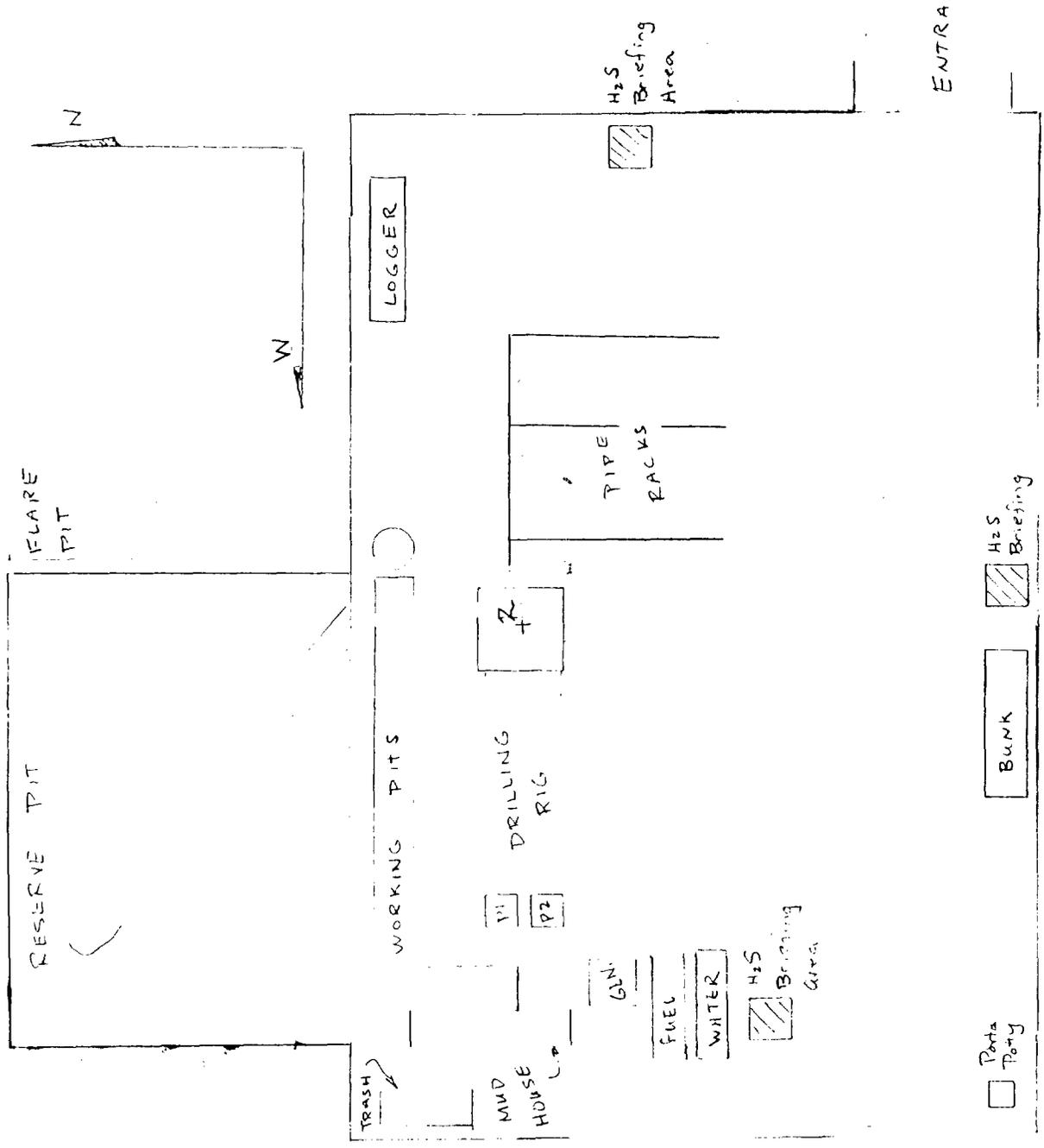
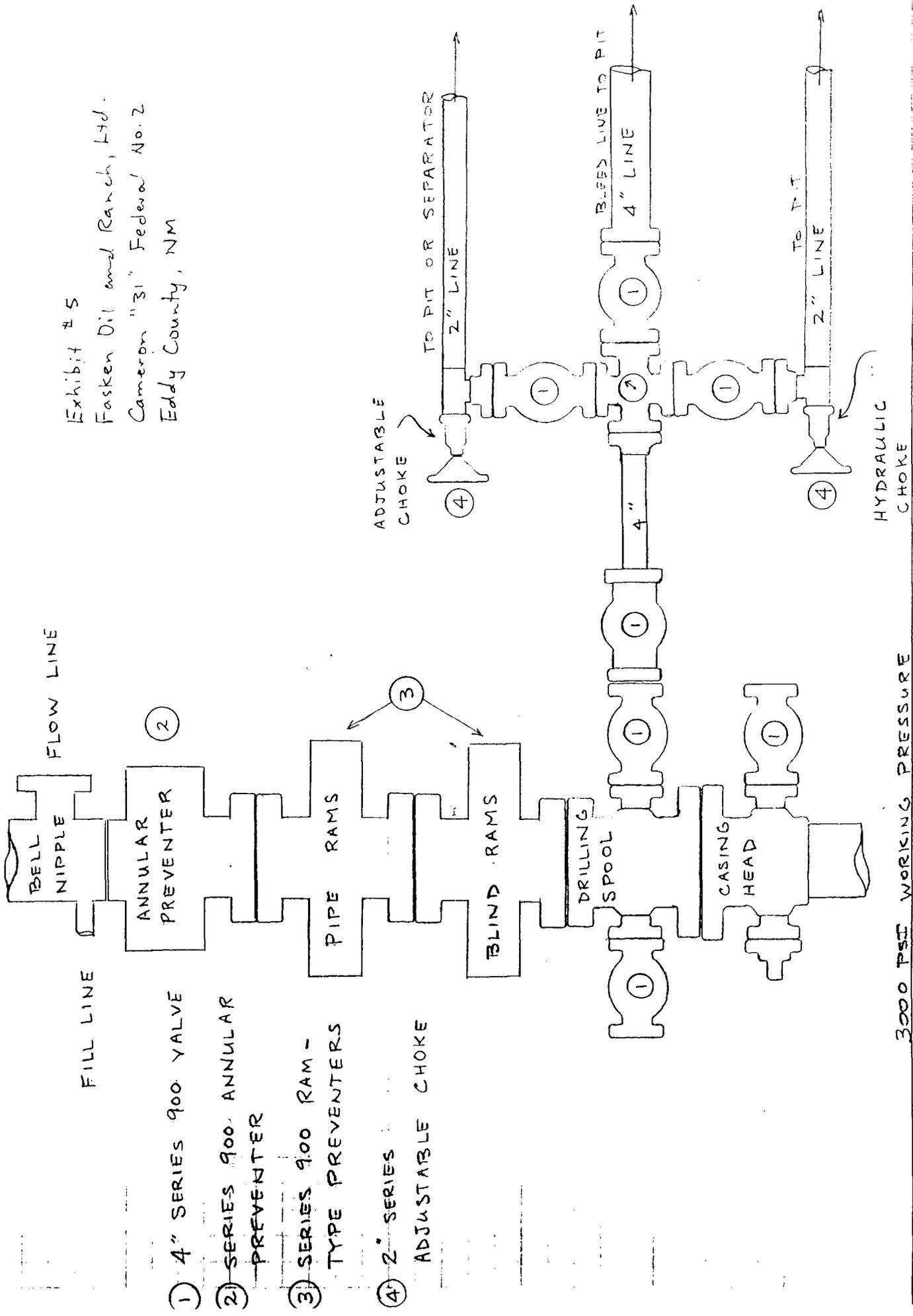


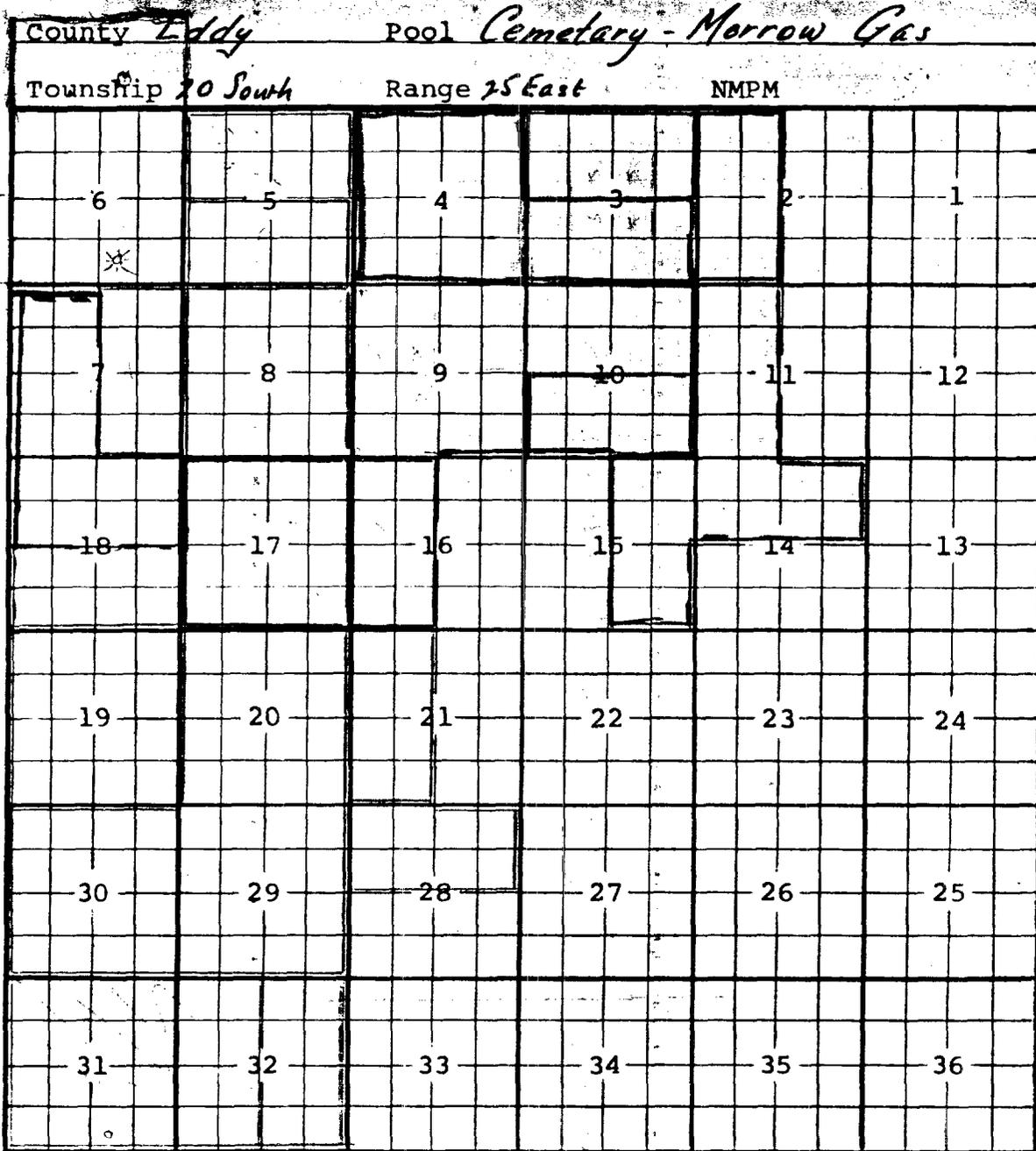
EXHIBIT #4
 SCALE 1" = 50'

Exhibit # 5
 Fasken Oil and Ranch, Ltd.
 Cameron "31" Federal No. 2
 Eddy County, NM



- ① 4" SERIES 900 VALVE
- ② SERIES 900 ANNULAR PREVENTER
- ③ SERIES 900 RAM - TYPE PREVENTERS
- ④ 2" SERIES ADJUSTABLE CHOKE

3000 PSI WORKING PRESSURE



Description: All Sec. 17 (R-2679, 4-1-64)

Ext: $\frac{W}{2}$ Sec. 16 (R-3139, 11-1-66) Ext: All Sec 20, 29 & 30 (R-4807, 6-11-74)

Ext: All Sec 8 (R-4821, 8-1-74) Ext: $\frac{S}{2}$ Sec 5 (R-4861, 11-1-74)

Ext: $\frac{N}{2}$ Sec 5 (R-4937, 2-1-75) Ext: $\frac{E}{2}$ Sec 7, $\frac{W}{2}$ Sec 21 (R-4969, 4-1-75)

Ext: $\frac{S}{2}$ Sec 18 (R-5063, 7-1-75) Ext: $\frac{N}{2}$ Sec 28 (R-5124, 12-1-75)

Ext: All Sec 31, $\frac{W}{2}$ Sec 32 (R-5162, 3-1-76)

Ext: All Sec 19 $\frac{E}{2}$ Sec 32 (R-5252, 9-1-76)

Ext: Sec: 3 $\frac{S}{2}$, Sec: 4 All (R-7076-9-27-82)

Ext: $\frac{N}{2}$ Sec. 3 (R-7248, 3-30-83) Ext: $\frac{W}{2}$ Sec. 2 (R-7279, 5-17-83)

Ext: $\frac{W}{2}$ Sec 11, $\frac{N}{2}$ Sec 14, $\frac{E}{2}$ Sec 15 (R-8747, 9/19/88) Ext: $\frac{S}{2}$ Sec 10 (R-8945, 5-31-89)

Ext: All Sec. 9, $\frac{N}{2}$ Sec. 10 (R-1069, 7-2-96) Ext $\frac{W}{2}$ Sec. 7, $\frac{S}{2}$ Sec. 18 (R-11120, 1-21-99)

Stogner, Michael

From: Jimmy Carlile [jimmyc@forl.com]
Sent: Friday, October 19, 2001 8:09 AM
To: 'Stogner, Michael'
Subject: RE: Cameron 31 Federal No. 2 Unorthodox Location
 T20S, R25E, Eddy County. Will call in a few minutes.

-----Original Message-----

From: Stogner, Michael [mailto:MSTOGNER@state.nm.us]
Sent: Friday, October 19, 2001 8:58 AM
To: 'Jimmy Carlile'
Subject: RE: Cameron 31 Federal No. 2 Unorthodox Location

What is the Township and Range for this section?

-----Original Message-----

From: Jimmy Carlile [mailto:jimmyc@forl.com]
Sent: Friday, October 19, 2001 6:42 AM
To: 'Stogner, Michael'
Subject: Cameron 31 Federal No. 2 Unorthodox Location

I was out in the field yesterday in this area. After we talked last week I got more info from both Land and Exploration concerning this location. The 40 acres (NE/SE) communitized in Section 31 (immediate south offset to this location) is FEDERAL acreage. I was wrong on this when we had talked. That at least addresses royalties, etc. in Section 31. Section 32 is all State acreage with the exception of the SE/4, which is patented. Fasken operates this section, and has the listing of royalty and ORR owners for the section to whom we plan on providing notice.

When I went to the geologist on this last week, he immediately pulled out structure maps showing why we were trying to maintain the 660' standard along the east side of the section. Mapping shows the need for this eastern most location. Moving west gets wet in a hurry. And as we discussed, BLM surface issues ultimately moved us to our proposed location.

I will give you a shout around 8:15 (your time) this morning and we can discuss this and your possible solution as well.

Jimmy D. Carlile
 Regulatory Affairs Coordinator
 303 West Wall, Suite 1800
 Midland, TX 79701
 (915) 687-1777
 (915) 687-1570

-----Original Message-----

From: Stogner, Michael [mailto:MSTOGNER@state.nm.us]
Sent: Thursday, October 18, 2001 9:13 PM
To: 'jimmyc@forl.com'
Subject: RE: Jimmy D. Carlile

After giving your problem a little more thought, I might have a viable alternative solution. Give me a call.

-----Original Message-----

From: Jimmy Carlile [mailto:jimmyc@forl.com]
Sent: Tuesday, October 09, 2001 8:18 AM
To: mstogner@state.nm.us

Subject: Jimmy D. Carlile

Mike,

Just wanted to say hello. I am now working for Fasken Oil and Ranch, Ltd. in Midland. I will give you a call in a few days.

Jimmy D. Carlile
Regulatory Affairs Coordinator

10/19/2001

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Jimmy D. Carlile
Regulatory Affairs Coordinator

10/19/2001

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

10/19/01 09:00:25
OGOMES -TQCS
PAGE NO: 1

Sec : 31 Twp : 20S Rng : 25E Section Type : NORMAL

1 39.65 Federal owned	C 40.00 Federal owned	B 40.00 Federal owned	A 40.00 Federal owned
2 39.75 Federal owned	F 40.00 Federal owned	G 40.00 Federal owned	H 40.00 Federal owned

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

319.40

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

10/19/01 09:00:29
OGOMES -TQCS
PAGE NO: 2

Sec : 31 Twp : 20S Rng : 25E Section Type : NORMAL

3 39.85 Federal owned	K 40.00 Federal owned	J 40.00 Federal owned A	I 40.00 Federal owned
4 39.95 Federal owned	N 40.00 Federal owned	O 40.00 Federal owned	P 40.00 Federal owned

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12



CMD : ONGARD 10/19/01 09:00:37
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TQCS

API Well No : 30 15 20907 Eff Date : 01-01-1996 WC Status : A
Pool Idn : 74640 CEMETARY;MORROW (GAS)
OGRID Idn : 151416 FASKEN OIL & RANCH LTD
Prop Idn : 18198 CAMERON 31 FEDERAL COM

Well No : 001
GL Elevation: 99999

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
	---	---	-----	-----	-----	-----	-----
B.H. Locn	: J	31	20S	25E	FTG 1650 F S	FTG 1650 F E	A

Lot Identifier:
Dedicated Acre: 320.00
Lease Type : F
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

CMD : ONGARD 10/19/01 09:00:42
 OG6ACRE C102-DEDICATE ACREAGE OGOMES -TQCS
 Page No : 1

API Well No : 30 15 20907 Eff Date : 04-30-1991
 Pool Idn : 74640 CEMETARY;MORROW (GAS)
 Prop Idn : 18198 CAMERON 31 FEDERAL COM Well No : 001
 Spacing Unit : 21845 OCD Order : Simultaneous Dedication:
 Sect/Twp/Rng : Acreage : 320.00 Revised C102? (Y/N) :
 Dedicated Land:

S	Base	U/L	Sec	Twp	Rng	Acreage	L/W	Ownership	Lot	Idn
		I	31	20S	25E	40.00	N	FD		
		J	31	20S	25E	40.00	N	FD		
		K	31	20S	25E	40.00	N	FD		
		N	31	20S	25E	40.00	N	FD		
		O	31	20S	25E	40.00	N	FD		
		P	31	20S	25E	40.00	N	FD		
	L	3	31	20S	25E	39.85	N	FD		
	M	4	31	20S	25E	39.95	N	FD		

E0005: Enter data to modify or PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
 PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF

CMD : ONGARD 10/19/01 09:01:05
 OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TQCS
 Page No: 1

OGRID Identifier : 151416 FASKEN OIL & RANCH LTD
 Pool Identifier : 74640 CEMETARY;MORROW (GAS)
 API Well No : 30 15 20907 Report Period - From : 01 2000 To : 08 2001

API Well No	Property Name	Prod. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 15 20907	CAMERON 31 FEDERAL C	01 00 31	1446	68 F
30 15 20907	CAMERON 31 FEDERAL C	02 00 29	584	15 F
30 15 20907	CAMERON 31 FEDERAL C	03 00 31	1954	90 F
30 15 20907	CAMERON 31 FEDERAL C	04 00 30	1941	42 F
30 15 20907	CAMERON 31 FEDERAL C	05 00 31	1460	35 F
30 15 20907	CAMERON 31 FEDERAL C	06 00 26	1254	63 F
30 15 20907	CAMERON 31 FEDERAL C	07 00 29	1475	62 F

Reporting Period Total (Gas, Oil) :

M0025: Enter PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
 PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 10/19/01 09:01:09
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TQCS
Page No: 2

OGRID Identifier : 151416 FASKEN OIL & RANCH LTD
Pool Identifier : 74640 CEMETARY;MORROW (GAS)
API Well No : 30 15 20907 Report Period - From : 01 2000 To : 08 2001

API Well No	Property Name	Prod.	Days	Production Volumes			Well
				MM/YY	Prod	Gas	
30 15 20907	CAMERON 31 FEDERAL C	08 00	31	1633		3	74 F
30 15 20907	CAMERON 31 FEDERAL C	09 00	30	1571			77 F
30 15 20907	CAMERON 31 FEDERAL C	10 00	25	1004			60 F
30 15 20907	CAMERON 31 FEDERAL C	11 00	23	948			48 F
30 15 20907	CAMERON 31 FEDERAL C	12 00	26	991			35 F
30 15 20907	CAMERON 31 FEDERAL C	01 01	27	1017			51 F
30 15 20907	CAMERON 31 FEDERAL C	02 01	28	1401			54 F

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 10/19/01 09:01:11
 OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TQCS
 Page No: 3

OGRID Identifier : 151416 FASKEN OIL & RANCH LTD
 Pool Identifier : 74640 CEMETARY;MORROW (GAS)
 API Well No : 30 15 20907 Report Period - From : 01 2000 To : 08 2001

API Well No	Property Name	Prod. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 15 20907	CAMERON 31 FEDERAL C	03 01 27	1279 63 54	F
30 15 20907	CAMERON 31 FEDERAL C	04 01 29	1383 51	F
30 15 20907	CAMERON 31 FEDERAL C	05 01 11	186 12	F
30 15 20907	CAMERON 31 FEDERAL C	06 01 30	1478 66	F
30 15 20907	CAMERON 31 FEDERAL C	07 01 31	1605 66	F

Reporting Period Total (Gas, Oil) : 24610 66 1023

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
 PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

TELEPHONE (505) 982-4285
TELEFAX (505) 982-2047

W. THOMAS KELLAHIN*

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

November 2, 2001

Via Facsimile

Mr. Michael E. Stogner
Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87501

RE: **Cameron 31 Federal Well No. 2**
2449 feet FNL & 480 feet FEL
N/2 Section 31, T20S, R25E
Administrative Application of
Fasken Oil and Ranch, Ltd. for approval
of an unorthodox gas well location,
Cemetery Morrow Gas Pool,
Eddy County, New Mexico

*talked to Kellahin
- amend to show all
160-ac
320 ac
surface
to Base of Morrow
Case 12777*

Dear Mr. Stogner:

On behalf of represent Fasken Oil and Ranch, Ltd. ("Fasken") in the referenced matter, I have received your proposed advertisement of the referenced case for the December 6, 2001 hearing.

Fasken request that the notice also contain a request for approval of any 320-acre spaced gas pool, including but not limited to the Cemetery-Morrow Gas Pool.

Very truly yours,

W. Thomas Kellahin

*APD shows
Morrow as
deepest
interval*

fx: Commissioner of Public Lands
Oil, Gas & Minerals Division
Attn: Jeff Albers

fx: Fasken Oil and Ranch, Ltd.
Attn: Jimmie Carlile

CMD :
OG6POOL

ONGARD
MAINTAIN POOL

11/06/01 08:32:
OGOMES -TQ

Pool Code : 74680 Pool Name : CEMETARY;WOLFCAMP (GAS)
OCD Order No : 0
Pool Type : G (O/G/A) Pool Creation Date : 05-01-1975
Pool Region : S (N/S) Last Updation Date : 05-01-1975

Special Pool Rules :
Oil Well Spacing : (Acres) Gas Well Spacing : 160 (Acres)
Orthodox Well Locn : 0 (Ft from end line) 0 (Ft from side line)
(Ft from nearest well) (Ft from Q/Q line)
Top Unit Allowable : (BOPD)
Casinghead Gas Limit : (MCFD)
Gas-Oil Limit :
Depth Bracket : (Feet)

Prorated Gas (Y/N) : N Acre Basis : 100.00 (in %)
Deliv Basis : (in %)
Simultaneous Dedication Allowed (Y/N) : N

E0043: Record found; Authority denied to MODIFY/ADD

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 PF08 PF09 COMMENT PF10 PF11 PF12

*Old Wolfcamp Pool
that is still on 160 acre sharing.*

COUNTY *Eddy*

POOL *Cemetary - Wolfcamp Gas*

TOWNSHIP *20 South*

RANGE *25 East*

NMPM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Description: $\frac{SE}{4}$ Sec 30 (R-5015, 6-1-75)

Ext: $\frac{N}{2}$ Sec. 30 (R-10124, 5-31-94)

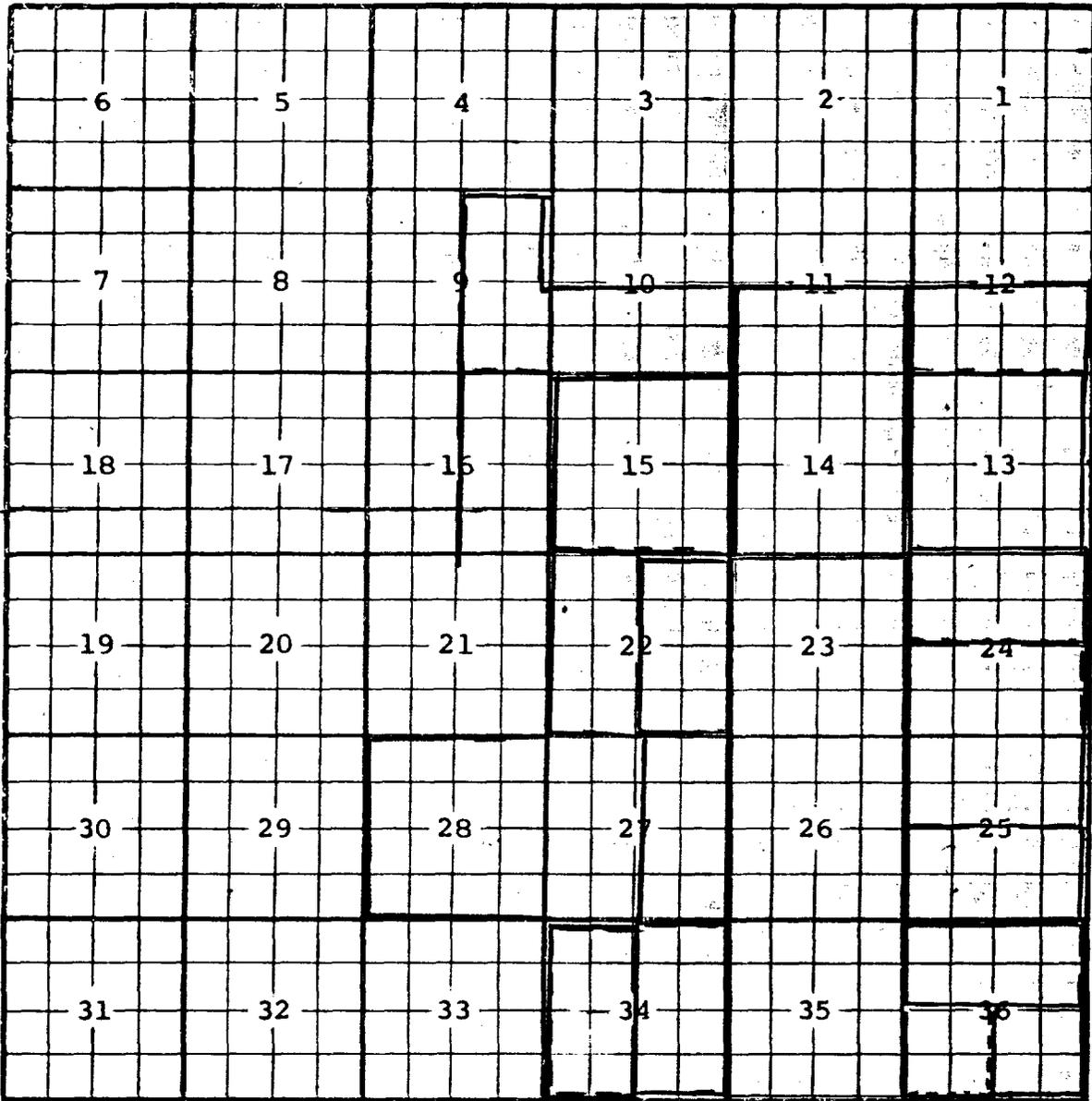
74680

COUNTY Eddy

POOL South Dagger Draw - Upper Pennsylvanian Assoc.

TOWNSHIP 20 South RANGE 24 East

NMPM



Description: All Sec. 23, 26 & 35 (R-4637, 10-1-73) EXT: E/2 SEC 22 (R-9134, 4-1-90) EXT: S/2 SEC 11, All SEC 14 (R-9171, 6-1-90)
 EXT: All Sec. 15 (R-9326, 11-7-90) EXT: W/2 SEC 22 (R-9418, 2-1-91)
 EXT: S/2 SEC 12 (R-9473, 4-1-91) EXT: E/2 Sec. 9, S/2 Sec. 10, All Sec. 13 (R-9545, 7-1-91)
 EXT: N/2 Sec. 36 (R-9578, 9-10-91) EXT: N/2 Sec. 24 (R-9668, 5-6-92)
 EXT: S/2 Sec. 24, N/2 Sec. 25 (R-9709, 8-25-92) EXT: S/2 Sec. 25 (R-9837, 1-27-93)
 EXT: S/4 Sec. 36 (R-9844, 2-8-93) EXT: E/2 Sec. 34 (R-10042, 12-28-93)
 EXT: E/2 Sec. 16, S/4 Sec. 36 (R-10050, 1-26-94) EXT: W/2 Sec. 34 (R-10591, 5-8-96)
 EXT: E/2 Sec. 27 (R-11005, 7-24-98) EXT: W/2 Sec. 27, All Sec. 28 (R-11678, 10-23-01)

County Eddy

Pool South Dagger Draw Upper Pennsylvanian
Associated

TOWNSHIP

20 South

Range 25 East

NMPM

6	5	4	3	2	1		
7	8	9	10	11	12		
18	17	16	15	14	13		
*							
19	20	21	22	23	24		
30	29	28	27	26	25		
31	32	33	34	35	36		

Ext: $\frac{5}{2}$ Sec. 19 (R-10724, 1-8-97) Ext: $\frac{5}{2}$ Sec. 19 (R-11544, 3-13-01)



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

November 2, 2001

Lori Wrotenberg
Director
Oil Conservation Division

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

RE: *Administrative application (reference No. pKRV0-130447098) of Fasken Oil & Ranch, Ltd. For an exception to Division Rule 104.C (2) (a) for its proposed Cameron "31" Federal Well No. 2 to be drilled at an unorthodox Morrow gas well location 2449 feet from the North line and 408 feet from the East line (Unit H) of Section 31, Township 20 South, Range 25 East, NMPM, Eddy County, New Mexico, in which Lots 1 and 2, the NE/4, and the E/2 NW/4 (N/2 equivalent) of Section 31 is to be dedicated in order to form a standard 319.40-acre gas spacing and proration unit within the Cemetery-Morrow Gas Pool.*

Dear Mr. Kellahin:

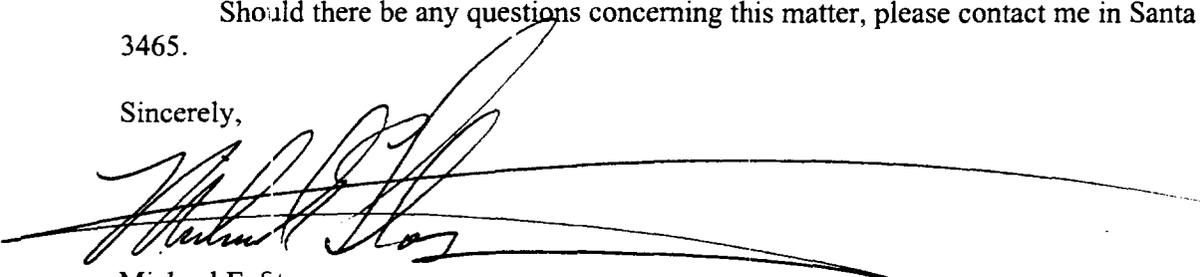
Reference is made to your telefaxed letter dated November 2, 2001 and a letter of objection to the subject application from the New Mexico State Land Office dated October 25, 2001

This application will be set for hearing before a Division Hearing Examiner on the next available docket scheduled for December 6, 2001. I have prepared the following advertisement in this matter:

"Application of Fasken Oil & Ranch, Ltd. for an unorthodox gas well location, Eddy County, New Mexico. Applicant seeks approval to drill its Cameron "31" Federal Well No. 2 at an unorthodox gas well location 2449 feet from the North line and 408 feet from the East line (Unit H) of Section 31, Township 20 South, Range 25 East, located approximately 7.5 miles southwest of Seven Rivers, New Mexico. Lots 1 and 2, the NE/4, and the E/2 NW/4 (N/2 equivalent) of Section 31 is to be dedicated to the well in order to form a standard 319.40-acre lay-down gas spacing and proration unit for the Cemetery-Morrow Gas Pool".

Should there be any questions concerning this matter, please contact me in Santa Fe at (505) 476-3465.

Sincerely,


Michael E. Stogner
Chief Hearing Officer/Engineer

MES/kv

cc: New Mexico Oil Conservation Division - Artesia
Ms. Jami Bailey, Director Oil, Gas, & Minerals Division - New Mexico State
Land Office, Santa Fe
Kathy Valdes - OCD, Santa Fe

**NEW MEXICO STATE LAND OFFICE
OIL, GAS AND MINERALS DIVISION**

**RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS**



**310 OLD SANTA FE TRAIL
POST OFFICE BOX 1148
SANTA FE, NEW MEXICO
87501**

**PHONE: (505) 827-5744
FAX: (505) 827-4739**



DATE: 11-2-01

TO: Mike Stegner

FIRM: DCD

FAX NUMBER: 476-3462

FROM: Jeff Albers

SUBJECT/MESSAGE: _____

NUMBER OF PAGES THIS TRANSMISSION INCLUDING THIS COVER

2

IF YOU DO NOT RECEIVE ALL OF THIS TRANSMISSION
PLEASE CALL:



COMMISSIONER'S OFFICE

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Fax (505) 827-5766

ADMINISTRATION

Phone (505) 827-5700
Fax (505) 827-5853

GENERAL COUNSEL

Phone (505) 827-5713
Fax (505) 827-4262

PUBLIC AFFAIRS

Phone (505) 827-1245
Fax (505) 827-5766



**New Mexico State Land Office
Commissioner of Public Lands
Ray Powell, M.S., D.V.M.**

COMMERCIAL RESOURCES

Phone (505) 827-5724
Fax (505) 827-6157

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Fax (505) 827-4739

ROYALTY MANAGEMENT

Phone (505) 827-5772
Fax (505) 827-4739

SURFACE RESOURCES

Phone (505) 827-5793
Fax (505) 827-5711

October 25, 2001

Fasken Oil and Ranch, Ltd.
303 West Wall Avenue, Suite 1800
Midland, Texas 79701-5116

Attn: Jimmy D. Carlile

Re: Non-Standard Location Proposal
Cameron 31 Federal Well No. 2
2449' FNL & 408' FEL
Unit H, Section 31, Township 20 South, Range 25 East
Eddy County, New Mexico

Dear Mr. Carlile:

We are in receipt of your application and request for a waiver of objection from the Commissioner of Public Lands for the non-standard well location referenced above.

Your proposed location is not in the best interest of the State Land Office since drainage of State of New Mexico Oil and Gas reserves, underlying lease L-5448-1 located in part in the NW4 of Section 32, Township 20 South, Range 25 East, may occur. Therefore, please be informed that we will not recommend that the Commissioner waive objection to your request.

If you care to discuss this further, please contact Jeff Albers at (505) 827-5759.

Sincerely,

JAMI BAILEY, Director
Oil, Gas & Minerals Division
(505) 827-5744

JB/ja

Xc: New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87504
Attn: Mr. Michael Stogner

COMMISSIONER'S OFFICE

Phone (505) 827-5760
Fax (505) 827-5766

ADMINISTRATION

Phone (505) 827-5700
Fax (505) 827-5853

GENERAL COUNSEL

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Fax (505) 827-4262

PUBLIC AFFAIRS

Phone (505) 827-1245
Fax (505) 827-5766



NSL-761
OIL CONSERVATION DIV.
OCT 26 PM 1:19

New Mexico State Land Office
Commissioner of Public Lands
Ray Powell, M.S., D.V.M.

COMMERCIAL RESOURCES

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October 25, 2001

Fasken Oil and Ranch, Ltd.
303 West Wall Avenue, Suite 1800
Midland, Texas 79701-5116

Attn: Jimmy D. Carlile

Re: Non-Standard Location Proposal
Cameron 31 Federal Well No. 2
2449' FNL & 408' FEL
Unit H, Section 31, Township 20 South, Range 25 East
Eddy County, New Mexico

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Sincerely,

JAMI BAILEY, Director
Oil, Gas & Minerals Division
(505) 827-5744

JB/ja

Xc: New Mexico Oil Conservation Division ✓
1220 South St. Francis Dr.
Santa Fe, New Mexico 87504
Attn: Mr. Michael Stogner

KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

TELEPHONE (505) 982-4285
TELEFAX (505) 982-2047

W. THOMAS KELLAHIN*

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

November 2, 2001

Via Facsimile

Mr. Michael E. Stogner
Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87501

RE: **Cameron 31 Federal Well No. 2**
2449 feet FNL & 480 feet FEL
N/2 Section 31, T20S, R25E
Administrative Application of
Fasken Oil and Ranch, Ltd. for approval
of an unorthodox gas well location,
Cemetery Morrow Gas Pool,
Eddy County, New Mexico

Dear Mr. Stogner:

I represent Fasken Oil and Ranch, Ltd. ("Fasken") in the referenced matter. Fasken has received the enclosed objection from the Commissioner of Public Lands ("SLO") and requests that the SLO objection be set for hearing on the next available examiner's docket now scheduled for December 6, 2001.

Very truly yours,



W. Thomas Kellahin

fx: Commissioner of Public Lands
Oil, Gas & Minerals Division
Attn: Jeff Albers

fx: Fasken Oil and Ranch, Ltd.
Attn: Jimmie Carlile

COMMISSIONER'S OFFICE

Phone (505) 827-5760
Fax (505) 827-5766

ADMINISTRATION

Phone (505) 827-5700
Fax (505) 827-5853

GENERAL COUNSEL

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Fax (505) 827-4262

PUBLIC AFFAIRS

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Fax (505) 827-5766



**New Mexico State Land Office
Commissioner of Public Lands
Ray Powell, M.S., D.V.M.**

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SURFACE RESOURCES

Phone (505) 827-5793
Fax (505) 827-5711

October 25, 2001

Fasken Oil and Ranch, Ltd.
303 West Wall Avenue, Suite 1800
Midland, Texas 79701-5116

Attn: Jimmy D. Carlile

Re: Non-Standard Location Proposal
Cameron 31 Federal Well No. 2
2449' FNL & 408' FEL
Unit H, Section 31, Township 20 South, Range 25 East
Eddy County, New Mexico

Dear Mr. Carlile:

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Sincerely,

JAMI BAILEY, Director
Oil, Gas & Minerals Division
(505) 827-5744

JB/ja

Xc: New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87504
Attn: Mr. Michael Stogner

"WE WORK FOR EDUCATION"

310 Old Santa Fe Trail, P. O. Box 1148 Santa Fe, New Mexico 87504-1148

COMMISSIONER'S OFFICE

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Fax (505) 827-5766



OIL CONSERVATION DIV.

NOV - 6 PM 4:19

**New Mexico State Land Office
Commissioner of Public Lands
Ray Powell, M.S., D.V.M.**

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SURFACE RESOURCES

Phone (505) 827-5793
Fax (505) 827-5711

November 6, 2001

Kellahin and Kellahin
Attorneys at Law
117 North Guadalupe
Santa Fe, New Mexico 87504

Attn: W. Thomas Kellahin

Re: Non-Standard Location Proposal
Cameron 31 Federal Well No. 2
2449' FNL & 408' FEL
Unit H, Section 31, Township 20 South, Range 25 East
Eddy County, New Mexico

Case 12777

Dear Mr. Kellahin:

We are in receipt of your letter, and accompanying data, quantifying your client's proposal for the above mentioned non-standard location.

We are aware of the cumulative Morrow production to date from the Fasken Oil and Ranch, Ltd. operated wells in the west half of Section 32, Township 20 South, Range 25 East. However, we are also aware of the production to date from Section 31.

You referenced the fact that approximately 3.6 bcf have currently been produced from the Morrow formation in Section 32. Therefore, we concur that the west half Section 32 has been adequately developed and protected with respect to the Morrow formation. However, you did not reference the fact that approximately 4.4 bcf have been produced to date from the Morrow formation by the Cameron 31 Federal Com Well No. 1, in the southeast quarter of Section 31, at a standard location.

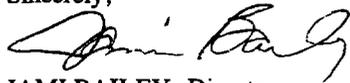
Our interpretation of the structure data you submitted agrees with your client's regarding the spot location for this proposed well. We also believe the Morrow is discontinuous, and therefore the possibility of obtaining commercial Morrow reserves from this proposed well does exist. The possibility of commercial reserves being present that have not been drained by any offsetting well also exists.

Regardless, our initial objection to this proposal was based on factors other than a non-standard Morrow well. Our concern is based on the fact that re-completion of this proposed Morrow well to an alternative non-standard zone, such as Indian Basin Strawn, would be logical in the future. We believe the continuous nature of the Strawn is grounds for concern regarding a future correlative rights issue. Therefore, our objection to this proposed Morrow well in the northeast quarter of Section 31 is not the primary concern in this objection filed on behalf of the Commissioner of Public Lands.

In order to expedite your client's application for the proposal as mentioned, we will recommend to the Commissioner of Public Lands that he waive objection to this proposed non-standard Morrow well. However, please be informed that this waiver of objection is specific to the proposed non-standard location for the subject well and specifically for the Morrow formation in the Cemetary Morrow Gas pool. A recommendation for a waiver of objection will not be made for alternative zone(s), regarding the use of this specific wellbore, where they are determined to be non-standard by NMOCD pool rules and regulations, and that are believed to pose a correlative rights issue.

If you care to discuss this further, please contact Jeff Albers at (505) 827-5759.

Sincerely,



JAMI BAILEY, Director
Oil, Gas & Minerals Division
(505) 827-5144

JB/ja

Xc: New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505
Attn: Mr. Michael Stogner ✓

Case 12777
MS

KELLAHIN AND KELLAHIN
ATTORNEYS AT LAW
EL PATIO BUILDING
117 NORTH GUADALUPE
POST OFFICE BOX 2265
SANTA FE, NEW MEXICO 87504-2265

TELEPHONE (505) 982-4285
TELEFAX (505) 982-2047

W. THOMAS KELLAHIN*
*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW
JASON KELLAHIN (RETIRED 1991)

November 13, 2001

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

TO: NOTICE OF THE HEARING OF THE FOLLOWING
NEW MEXICO OIL CONSERVATION DIVISION CASE:

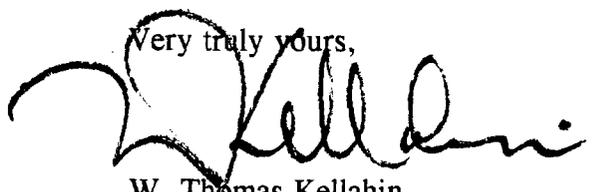
*Re: Application of Fasken Oil and Ranch, Ltd.
for an unorthodox well location,
Eddy County, New Mexico*

01 NOV 19 01 PM '01
OIL CONSERVATION DIVISION

On behalf of Fasken Oil and Ranch, Ltd. please find enclosed a copy of our referenced application which will be heard by the New Mexico Oil Conservation Division Examiner at 8:15 AM on December 6, 2001. The hearing will be held at the Division hearing room located in the Pinon Building, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505 (phone 505-476-3440).

As a party who may be affected by this application, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the application. You are not required to attend this hearing, but failure to appear at the hearing and become a party of record will preclude you from challenging the matter at a later date.

Pursuant to Division Rule 1208.B, you are further notified that if you desire to appear in this case, then you are required to file a Pre-Hearing Statement with the Division not later than 4:00 PM on Friday, November 30, 2001, with a copy delivered to the undersigned. This statement must include: the names of the parties and attorneys; a concise statement of your position in this case; the names of all witnesses you will call to testify at the hearing; the approximate time you will need to present your case and identification of any procedural matters that area to be resolve prior to the hearing.

Very truly yours,

W. Thomas Kellahin

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

**IN THE MATTER OF THE APPLICATION
OF FASKEN OIL AND RANCH, LTD
FOR AN UNORTHODOX GAS WELL,
EDDY COUNTY, NEW MEXICO**

CASE: _____

APPLICATION

Comes now FASKEN OIL AND RANCH, LTD. ("Fasken") by and through its attorneys, KELLAHIN and KELLAHIN, and applies to the New Mexico Oil Conservation Division ("NMOCD") for an exception to the applicable gas well locations setback requirements governing all formations or pools from the surface to the base of the Morrow formation for its proposed Cameron 31 Federal Well No. 2 to be drilled at an unorthodox gas well location 2449 feet from the north line and 408 feet from the east line (Unit H) of Section 31, Township 20 South, Range 25 East, NMPM, to be dedicated to the following described spacing and proration units: (i) lots 1, 2 NE/4 and the E/2NW/4 (N/2 equivalent) of Section 31 to form a standard 319.40-acre gas spacing and proration unit for all formations or pools developed on 320-acre gas spacing, which presently includes but not necessarily limited to the Undesignated South Dagger Draw-Upper Pennsylvanian Associated Pool and the Cemetery-Morrow Gas Pool; and (ii) the NE/4 of Section 31 to form a standard 160-acre spacing and proration unit for all formations or pools developed on 160-acre spacing, which presently includes but is not necessarily limited to the Undesignated Cemetery-Wolfcamp Gas Pool.

In support thereof, Applicant states:

1. Fasken is the proposed operator of the Cameron "31" Federal Well No. 2 to be located 2449 feet from the north line and 408 east line (Unit H) of Section 31, T20S, R25E, Eddy County, New Mexico.
2. Fasken proposes to drill this well to a depth sufficient to test for gas and oil production from the surface to the base of the Morrow formation.

3. Under these circumstances, Division rules require wells to be located not closer than 660 feet to the outer boundary of the proposed spacing unit(s).

4. Fasken proposes to locate this well 193 feet from the southern boundary of a 320-acre spacing unit consisting of the N/2 of this Section. **See Exhibit "A"**

5. No impairment of the correlative rights of the owners in the S/2 of Section 31 occurs because:

(a) Section 31 consists of two federal oil & gas leases:

(i) one being the NE/4SE/4 of Section 31 held by The Winston Trust, Farrell L. Lines, Trustee with a 3.125 % ORR held by Farrell L. Lines; and

(ii) the other being the balance of the section held by Fasken with a 2.5%ORR each to Katherine V. Johnson and A. G. Andrikopoulos;

(b) these two federal leases have the same percentage of royalty;

(c) there is a communitization agreement dated March 15, 1974 which communitizes all of Section 31 for any Morrow production;

(d) there is a Joint Operating Agreement dated July 27, 1973 by which the working interest owners have consolidated their respective interests in Section 31;

(e) Fasken has entered into an agreement with the heir of Farrell L. Lines, deceased, the owner of a 3.125 % ORR in the NE/4SE/4 of this section, by which she has agreed to waive any right to receive an ORR for any production from this well.

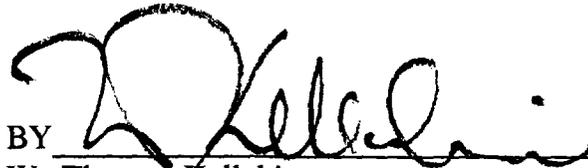
6. Because of a combination of topographic and geologic factors, this proposed location is the optimum location in the NE/4 of this section at which to drill to test for gas production.

7. Approval of this application will afford the applicant the opportunity to produce its just and equitable share of the gas underlying this unit, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells and will otherwise prevent waste and protect correlative rights.

8. Notification of this application has been sent to all adjoining and offsetting operators/owners towards who this location encroaches. **See Exhibit "B"**

WHEREFORE, Applicant requests that, after notice and hearing, this Application be approved as requested.

KELLAHIN and KELLAHIN

BY 

W. Thomas Kellahin
P. O. Box 2265
Santa Fe, New Mexico 87504
(505) 982-4285

OWNER-NAME	ADDR1	ADDR2	CITY	ST	ZIP
Barbara S Storey		6758 W Quail Ave.	Glendale	AZ	85308
Betty Harris Murray		931 Wendemere Drive	Seymour	IN	47274-2705
Billy N Meeks		29605 Solana Way Alp T15	Temecula	CA	92591
Brooks Oil & Gas Interests Ltd		PO Box 23314	Santa Fe	NM	87502-3314
Carl Dean Martin		Route 1	Artesia	NM	88210
Caroline Billings	c/o Donald Billings	Route 1 Box 33	Flora	IN	46929
Carolyn E Updike		PO Box 521773	Salt Lake City	UT	84152
Carolyn J Byrd Hitt		5144 Bickley Court	San Jose	CA	95136-2602
Charles Edward Buck		1801 South 17th Street	Artesia	NM	88210
Christensen Petroleum Inc		PO Box 3790	Midland	TX	79702-3790
Clatx Ltd		6202 Cornell	Amarillo	TX	79109
Commissioner of Public Lands		PO Box 1148	Santa Fe	NM	87504-1148
David Byrd		3227 W Eugie Avenue	Phoenix	AZ	85029-1284
Dorothy Wilson Garrett et al		43183 W Pleasant Ridge Road	Hammond	LA	70403
Elaine K Hesson		537 Thompson Cr Rd Sp #41	Applegate	OR	97530
Elizabeth Myers	c/o Richard Henderson	1318 N Bay Drive	Lynn Haven	FL	32444
Ella J Grim		1032 Susan Street	Auburn	IN	46706-1522
FAULCONER 1996 LTD		PO BOX 7995	TYLER	TX	75711-7995
Francis Joseph Gavin		15935 SW Royalty Parkway	King City	OR	97224-2405
Glenda S Hardison		410 5th St NE #14	Washington	DC	20002
Glenn Lattimore Family Limited		500 W 7th St Unit 16 STE 1802	Ft. Worth	TX	76102-4772
Houston & Emma Hill Trust		500 W 7th St STE 1802	Fort Worth	TX	76102-3865
James Frederick Buck		2904 Phoenix Way	Round Rock	TX	78664
James R Hill Family Limited PARTNERSHIP		500 W 7th St Unit 16 STE 1802	Ft. Worth	TX	76102-4772
John Patrick Gavin		921 N Sage	Rialto	CA	92376
Juanita Weber		149 Cottage Avenue	Fond du Lac	WI	54935
Julia Ellen Buck Hampton		PO Box 52063	Amarillo	TX	79159-2063
Julia Rodabaugh		30063 US HWY 281 N PMB #401	Bulverde	TX	78163-4311
Kenneth W Meeks		1407 W Princeton St.	Ontario	CA	91762
Larry Gene Henderson		327 S Washington Street	Montpelier	IN	47359-1438
Leo Mark Gavin		1946 California	Gooding	ID	83330
Lilly Mae Anglin	Mountain Shadows Nursing Cent.	1105 Hill Road	Las Cruces	NM	88001
Linda D Love Barton Strahn		0161 N 200 E	Hartford City	IN	47348
MARATHON OIL COMPANY		PO BOX 552	MIDLAND	TX	79702-0552
Marcell Harris		410 W Central Ave.	Bluffton	IN	46714-2408
Margaret Updike	Timbers Chase, Ruxbury Road	Chertsey.	Surrey U.K.		KT16 9NJ
Mary Dolores Groom		113 Harvard Street	Las Vegas	NV	89107
Mary J Bartlett		1201 W Missouri	Artesia	NM	88210

OWNER-NAME	ADDR1	ADDR2	CITY	ST	ZIP
Mary Lee Karlins		88 Green Street	Newbury	MA	01951
Michael William Groom		5104 Still Breeze Ave.	Las Vegas	NV	89130
Mrs Charles R Henderson		534 S Adams St.	Montpelier	IN	47359
Noah Eugene Buck III		1908 E Shadowood Ln	Espanola	NM	87532-2935
Orial M Pugsley		12 Half Moon Bend	Coronado	CA	92118
Pauline Laughlin		PO Box 1104	White Salmon	WA	98672
Petro-Crown Resources LLC		PO Box 2506	Wichita Falls	TX	76308
PURE RESOURCES LP		1600 SMITH ST STE 4600	HOUSTON	TX	77002
Richard B Henderson		1318 N Bay Drive	Lynn Haven	FL	32444
Richard Howell		PO Box 94	Lakewood	NM	88254
Robert D Henderson		327 S Washington Street	Montpelier	IN	47359
Robert Emmett Groom		1919 N Bruce Street	N. Las Vegas	NV	89030
Robert Harris		1405 Vermont Ave.	Fort Wayne	IN	46805
Carolyn Thomas		1806 W Hermosa	Artesia	NM	88210
Roberta Owen		PO Box 139	French Gulch	CA	96033-0139
Ronald Harris		PO Box 29	Ossian	IN	46777
ROSS FAMILY TRUST	VEE K ROSS TRUSTEE	PO BOX 86	MIDLAND	TX	79702-0086
Ruth Martin Riley		2901 S 13th	Artesia	NM	88211-7526
Sandra K Stewart		3141 W 150 S	Hartford City	IN	47348
Sarah Newman		1027 No Division	Forrest City	AR	72335
Michelle Bratcher		2317 91 st St	Lubbock	TX	79423
Texas Energy Supply Inc		PO Box 4848	Wichita Falls	TX	76308-0838
The Buck Family Trust	Mae M. Buck Trustee	802 Clayton	Artesia	NM	88210
The James H & Betty R Howell Revocable Trust		P O Box 75	Lakewood	NM	88254
Theresa Ann Groom Potter		113 Harvard Street	Las Vegas	NV	89107
Theresa Mary Bracy		21873 NE Skidmore	Fairview	OR	97024
Thomas M Morris		2308 E Front	Tyler	TX	75701
Tom Harris		Route 2 Box 21	Montpelier	IN	47359
Vivian L Simpson		2698 South Hulen	Fort Worth	TX	76109
Wanda S Updike		1138 Gilmer Drive	Salt Lake City	UT	84152
Wanda Walter		125 W CENTER ST	Greenwood	AR	72936
William Henderson		301 Park Ave.	Electra	TX	76360
YATES PETROLEUM CORP		105 S 4TH ST	ARTESIA	NM	88210
Zihiman Family Trust		4463 Ridgevale Road	Fort Worth	TX	76116
Texas Comptroller's Office	Barney Anglin Otis Ford, Jr. Rex Harris Glenna Lancaster Evelyn Martin Wagoner Mrs. Thomas B. Warren	PO Box 12019	Austin	TX	78711-2019

DISTRICT I
 N. French Dr., Hobbs, NM 88240

DISTRICT II
 South First, Artesia, NM 88210

DISTRICT III
 Rio Brazos Ed., Aztec, NM 87410

DISTRICT IV
 South Pacheco, Santa Fe, NM 87506

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-102
 Revised March 17, 1999

Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco
 Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 74640	Pool Name Cemetery - Morrow
Property Code	Property Name CAMERON "31" FEDERAL	Well Number 2
OGRID No. 151416	Operator Name FASKEN OIL AND RANCH, LTD	Elevation 3666'

Surface Location

Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	31	20 S	25 E	2449	NORTH	408	EAST	EDDY

Bottom Hole Location If Different From Surface

Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Indicated Acres 320	Joint or Infill	Consolidation Code	Order No. Com. Agreement SW-888
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><u>Tommy E. Taylor</u> Signature</p> <p>Tommy E. Taylor Printed Name</p> <p>Drilling & Production Engineer Title</p> <p>10/10/01 Date</p>	
	<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.</p> <p>OCTOBER 23, 2001</p> <p>Date Surveyed</p> <p><u>[Signature]</u> Signature & Seal of Professional Surveyor</p> <p>W.O. No. 1844</p> <p>Certificate No. Gary Jones 7977</p> <p>JLP PROFESSIONAL LAND SURVEYORS</p>	
	<p>Lat.: N32°31'49.8"</p> <p>Long.: W104°31'00.7"</p>	
	<p>3664.6'</p> <p>193'</p> <p>408'</p> <p>3667.8'</p> <p>2449'</p> <p>3676.9'</p>	

CASE 12767: Continued from November 15, 2001, Examiner Hearing.

Application of Chesapeake Operating, Inc. for an unorthodox oil well location, Lea County, New Mexico. Applicant seeks approval to drill and produce its proposed Buchanan "32" Well No. 1 at an unorthodox oil well location 2520 feet from the South line and 1909 feet from the West line (Unit K) of Section 32, Township 16 South, Range 37 East, for production from the Strawn formation from the Northeast Lovington-Pennsylvanian Pool to be dedicated to a standard 80-acre oil spacing and proration unit consisting of the N/2 SW/4 of this section. This location is located approximately 5 ½ miles southeast of Lovington, New Mexico.

CASE 12768: Continued from November 15, 2001, Examiner Hearing.

Application of Chesapeake Operating Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Strawn formation underlying the following described acreage in Section 9, Township 16 South, Range 37 East: the E/2 SW/4 to form a standard 80-acre oil spacing and proration unit for any and all formations and/or pools developed on 80-acre oil spacing within this vertical extent, including the Northeast Lovington-Pennsylvanian Pool; and the NE/4 SW/4 to form a standard 80-acre oil spacing and proration unit for any and all formations and/or pools developed on 80-acre oil spacing within this vertical extent. This unit is to be dedicated to its Buddy "9" Well No. 1 which will be located at a standard well location within Unit K of this section. Applicant further seeks an order prescribing terms ("operating provisions") pursuant to which future operations may be conducted in accordance with applicant's Joint Operating Agreement. Also to be considered will be the costs of drilling and completing this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in this well. This unit is located approximately 4 miles east of the center of the City of Lovington, New Mexico.

CASE 12771: Application of Fasken Oil & Ranch, Ltd. for an unorthodox gas well location, Eddy County, New Mexico. Applicant seeks an exception to the applicable gas well location set-back requirements governing all formations or pools from the surface to the base of the Morrow formation for its Cameron "31" Federal Well No. 2 to be drilled 2449 feet from the North line and 408 feet from the East line (Unit H) of Section 31, Township 20 South, Range 25 East, to be dedicated to the following described spacing and proration units: (i) Lots 1 and 2, the NE/4, and the E/2 NW/4 (N/2 equivalent) of Section 31 to form a standard 319.40-acre gas spacing and proration unit for all formations or pools developed on 320-acre spacing, which presently includes but is not necessarily limited to the Undesignated South Dagger Draw-Upper Pennsylvanian Associated Pool and Cemetery-Morrow Gas Pool; and (ii) the NE/4 to form a standard 160-acre spacing and proration unit for all formations or pools developed on 160-acre spacing, which presently includes but is not necessarily limited to the Undesignated Cemetery-Wolfcamp Gas Pool. The proposed well location is approximately 7.5 miles southwest of Seven Rivers, New Mexico.

CASE 12760: Continued from November 15, 2001, Examiner Hearing.

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the base of the Grayburg formation to the base of the Morrow formation underlying the E/2 of Section 18, Township 19 South, Range 28 East, to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within that vertical extent, including but not limited to the Undesignated West Millman-Wolfcamp Pool, Millman-Strawn Gas Pool, and Undesignated South Millman-Morrow

KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

November 29, 2001

TELEPHONE (505) 982-4285

TELEFAX (505) 982-2047

W. THOMAS KELLAHIN*

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

Via Facsimile
505-827-4739**Mr. Jeff Albers**
Oil, Gas & Minerals Division
Office of the Commission of Public Lands
P. O. Box 1148
Santa Fe, New Mexico 87504**RE: NMOCD Case 12777**
Cameron 31 Federal Well No. 2
2449 feet FNL & 480 feet FEL
N/2 Section 31, T20S, R25E
Application to NMOCD of Fasken Oil and Ranch, Ltd.
for approval of an unorthodox gas well location,
Cemetery-Morrow Gas Pool, Eddy County, New Mexico

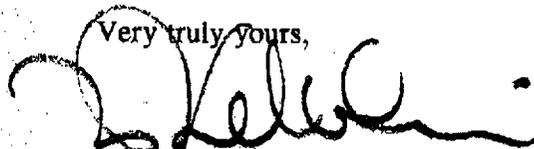
Dear Mr. Albers:

I represent Fasken Oil and Ranch, Ltd. ("Fasken") in the referenced matter which is scheduled for hearing on December 6, 2001.

I wish to inform you that Fasken will limit its application to the Cemetery-Morrow Gas Pool. On November 5, 2001, we discussed my letter to you dated November 2, 2001. It was my understanding that the Commissioner of Public Lands would be willing to withdraw its objection provided the application was limited to the Cemetery-Morrow Gas Pool.

If my understanding is still correct, I would appreciate you sending Mr. Michael E. Stogner (OCD-Santa Fe) a letter indicating that so I can request that the hearing be vacated and the application returned to him for administrative processing.

Very truly yours,



W. Thomas Kellahin

fx: Oil Conservation Division
Attn: Michael E. Stogner
fx: Fasken Oil and Ranch, Ltd.
Attn: Jimmie Carlile

**NEW MEXICO STATE LAND OFFICE
OIL, GAS AND MINERALS DIVISION**

**RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS**



**310 OLD SANTA FE TRAIL
POST OFFICE BOX 1148
SANTA FE, NEW MEXICO
87504**

**PHONE: (505) 827-5744
FAX: (505) 827-4739**



DATE: 11-29-01

TO: Mike Stogner

FIRM: OCG

FAX NUMBER: 476-3471

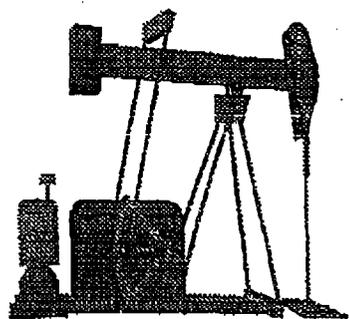
FROM: Jeff Albers

SUBJECT/MESSAGE: _____

NUMBER OF PAGES THIS TRANSMISSION INCLUDING THIS COVER

24

IF YOU DO NOT RECEIVE ALL OF THIS TRANSMISSION
PLEASE CALL:



COMMISSIONER'S OFFICE

Phone (505) 827-5760
Fax (505) 827-5766

ADMINISTRATION

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Fax (505) 827-5853

GENERAL COUNSEL

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PUBLIC AFFAIRS

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Fax (505) 827-4739

SURFACE RESOURCES

Phone (505) 827-5793
Fax (505) 827-5711

**New Mexico State Land Office
Commissioner of Public Lands
Ray Powell, M.S., D.V.M.**

November 29, 2001

New Mexico Energy, Minerals, and Natural Resources Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87504

Attn: Michael Stogner

Re: NMOCD Case 12777 - Fasken Oil and Ranch, Ltd.
Cameron 31 Federal Well No.2 - Proposed Non-Standard Location
2449' FNL & 408' FEL
Section 31, Township 20 South, Range 25 East
Eddy County, New Mexico

Dear Mr. Stogner:

As requested by Mr. W. Thomas Kellahin, legal representative for Fasken Oil and Ranch, Ltd., this letter is to inform you that the Commissioner of Public Lands waives objection to the proposed non-standard well location, referenced above as NMOCD case 12777, for the Cemetary Morrow gas pool. This waiver of objection is limited to the proposed well for the Cemetary Morrow gas pool only.

Please contact Jeff Albers at (505) 827-5759, if you care to discuss this further.

Sincerely,

JAMI BAILEY, Director
Oil, Gas, and Minerals Division
(505) 827-5744

JB/ja

COMMISSIONER'S OFFICE
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**New Mexico State Land Office
 Commissioner of Public Lands
 Ray Powell, M.S., D.V.M.**

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SURFACE RESOURCES
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 Fax (505) 827-5711

November 6, 2001

Kellahin and Kellahin
 Attorneys at Law
 117 North Guadalupe
 Santa Fe, New Mexico 87504

Att: W. Thomas Kellahin

Re: Non-Standard Location Proposal
 Cameron 31 Federal Well No. 2
 2449' FNL & 408' FEL
 Unit H, Section 31, Township 20 South, Range 25 East
 Eddy County, New Mexico

Dear Mr. Kellahin:

We are in receipt of your letter, and accompanying data, quantifying your client's proposal for the above mentioned non-standard location.

We are aware of the cumulative Morrow production to date from the Fasken Oil and Ranch, Ltd. operated wells in the west half of Section 32, Township 20 South, Range 25 East. However, we are also aware of the production to date from Section 31.

You referenced the fact that approximately 3.6 bcf have currently been produced from the Morrow formation in Section 32. Therefore, we concur that the west half Section 32 has been adequately developed and protected with respect to the Morrow formation. However, you did not reference the fact that approximately 4.4 bcf have been produced to date from the Morrow formation by the Cameron 31 Federal Com Well No. 1, in the southeast quarter of Section 31, at a standard location.

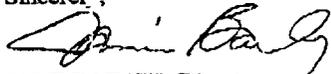
Our interpretation of the structure data you submitted agrees with your client's regarding the spot location for this proposed well. We also believe the Morrow is discontinuous, and therefore the possibility of obtaining commercial Morrow reserves from this proposed well does exist. The possibility of commercial reserves being present that have not been drained by any offsetting well also exists.

Regardless, our initial objection to this proposal was based on factors other than a non-standard Morrow well. Our concern is based on the fact that re-completion of this proposed Morrow well to an alternative non-standard zone, such as Indian Basin Strawn, would be logical in the future. We believe the continuous nature of the Strawn is grounds for concern regarding a future correlative rights issue. Therefore, our objection to this proposed Morrow well in the northeast quarter of Section 31 is not the primary concern in this objection filed on behalf of the Commissioner of Public Lands.

In order to expedite your client's application for the proposal as mentioned, we will recommend to the Commissioner of Public Lands that he waive objection to this proposed non-standard Morrow well. However, please be informed that this waiver of objection is specific to the proposed non-standard location for the subject well and specifically for the Morrow formation in the Cemetery Morrow Gas pool. A recommendation for a waiver of objection will not be made for alternative zone(s), regarding the use of this specific wellbore, where they are determined to be non-standard by NMOCD pool rules and regulations, and that are believed to pose a correlative rights issue.

If you care to discuss this further, please contact Jeff Albers at (505) 827-5759.

Sincerely,



JAMI BAILEY, Director
Oil, Gas & Minerals Division
(505) 827-5744

JB/ja

Xc: New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87504
Attn: Mr. Michael Stogner

PKR00-130447078

New Mexico Oil Conservation Division---Engineering Bureau
Administrative Application Process Documentation

Date Application Received: 10-23-2001

Date of Preliminary Review: 11-2-2001
(Note: Must be within 10-days of received date)

Results: Application Complete Application Incomplete

Date Incomplete Letter Sent: _____

Deadline to Submit Requested Information: _____

Phone Call Date: _____
(Note: Only applies if requested data is not submitted within the 7-day deadline)

Phone Log Completed? Yes No

Date Application Processed: 12-3-2001

Date Application Returned: _____
(Note: Only as a last resort & only after repeated attempts by the Division to obtain the necessary information to process the application)

- objection received on 11-2
- set for hearing
- remanded back to adm. status 11-29