

ABOVE THIS LINE FOR DIVISION USE ONLY

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



Faslin

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 _____

2006 MAY 30 PM 3 52

- [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.

Print or Type Name _____ Signature *Kellamin* Title **KELLAHIN & KELLAHIN** Date **5/26/06**
 Attorneys At Law
 P.O. Box 2265
 Santa Fe, New Mexico 87504-2265

KELLAHIN & KELLAHIN
Attorney at Law

W. THOMAS KELLAHIN
TELEPHONE 505-982-4285
FACSIMILE 505-982-2047
KELLAHIN@EARTHLINK.NET

P.O. Box 2265,
SANTA FE, NEW MEXICO 87504
117 NORTH GUADALUPE,
SANTA FE, NEW MEXICO 87501

May 26, 2006

HAND DELIVERED

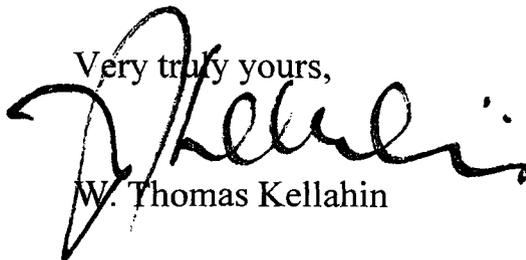
Mr. Mark Fesmire, PE, Director
Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Administrative Application of Fasken Oil and Ranch, Ltd.
for approval of a unorthodox well location for its
Kirby "26" State Well No. 1, Unit E,
Footage: 1980 FNL and 1310 FWL
Dedication 80-acres being the S/2NW/4 of Section 26
T17S, R34E, Lea County New Mexico
to be recompletion from North Vacuum Atoka Morrow Gas Pool
to the Vacuum Wolfcamp Pool

Dear Mr. Fesmire:

On behalf of Fasken Oil and Ranch, Ltd, please find enclosed our referenced application that is being filed in accordance with Division Rule 104.D (2)(b)). This location crowds the interior line between the SW/4NW/4 and the SE/4NW/4 of this 80-acre spacing unit (10 feet instead of 330 feet.). By agreement, all categories of working in each 40-acre tract are the same with the same percentages.

Very truly yours,



W. Thomas Kellahin

CC: Fasken Oil and Ranch, Ltd.
Attn: Jimmy D. Carlile

2006 MAY 30 PM 3 52

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

**IN THE MATTER OF THE ADMINISTRATIVE
APPLICATION OF FASKEN OIL AND RANCH, LTD.
FOR APPROVAL OF AN UNORTHODOX WELL LOCATION
LEA COUNTY, NEW MEXICO**

ADMINISTRATIVE APPLICATION

Comes now FASKEN OIL AND RANCH, LTD. ("Fasken") and by and through its attorneys, Kellahin & Kellahin, and in accordance with Division General Rule 104.F, applies to the New Mexico Oil Conservation Division ("Division") for approval of an unorthodox gas well location for its Kirby "26" Well No. 1, an existing Morrow gas well located 1980 feet from the North line and 1310 feet from the West line (Unit E) of Section 26, T17S, R34E, Lea County New Mexico to be recompleted and dedicated to a standard 80-acre oil spacing unit consisting of the S/2NW/4 of this section for production from the Vacuum-Wolfcamp Pool.

In support, Fasken states:

1. Fasken is the operator of the Kirby "26" Well No. 1 currently completed in the North Vacuum Atoka-Morrow Gas Pool at a standard location 1980 FNL and 1310 FWL of Section 26 with a 320-acre spacing unit consisting of the W/2 of Section 26 dedicated to this well. **See forms C-105 and C-102, attached as Exhibits "A" and "B"**

2. The Kirby "26" Well No. 1 is currently producing from the Morrow formation at a rate of 5 mcfpd. As of January 2006 this well has cum'd 24,683 BO and 688,281 mcf and 357 Bw. It is reaching the end of its economic life.

3. Fasken desires approval to recomplete and produce this well at an unorthodox well location for any production from the Wolfcamp formation.

4. The well was spudded on January 17, 2003 and drilled to 11,964 feet and completed in the Atoka-Morrow formations in the North Vacuum-Atoka Morrow Gas Pool. The Special Rules for this pool were abolished by Order R-3792, dated June 4, 1969 and this well was drilled subject to Division Rule 104 as promulgated by Order R-11231, dated August 12, 1999, that provided of 320-acre spacing units and for standard well locations not closer than 660 feet to the side boundaries or 330 feet to the quarter section lines or 10 feet to any quarter-quarter section line.

5. Prior to abandonment of this wellbore, Fasken desires to test for any production from the Wolfcamp formation and accordingly seeks approval to recomplete this well into the Wolfcamp Formation. **See application for Re-Entry (form C-101) and attached C-102 attached as Exhibit "C" and "D"**

6. The re-completion, if approved, will require an unorthodox well location exception from the Special Rules and Regulations for the Vacuum-Wolfcamp Pool, Order R-2422-A, dated March 13, 1964, that provide for 80-acre spacing units and wells to be located with 200 feet of the center of either the NW/4 or the SE/4 of a governmental quarter section.

7. While the surface location is 1980 feet FNL and 1310 feet FWL, the deviation report for this wellbore indicated that at the top of the Wolfcamp (-9437feet) the displacement was a maximum of 158 feet from the surface location. Because a directional survey was not conducted, Fasken is unable to calculate the actual distance from the north and west lines of Section 26 if measured from the top of the Wolfcamp formation. **See Deviation Report attached as Exhibit D-1(a) & (b).**

TECHNICAL EVIDENCE

8. Before plugging the well, Fasken would like to test the Wolfcamp formation based upon the following geologic evidence:

- (a) See Exhibit E: Kirby 26 State No. 1 Well log
- (b) See Exhibit F: Well locator map with line of cross-section for 3-well map
- (b) See Exhibit G: 3-well Cross-Section
- (c) See Exhibit H: Well locator map with line of cross-section for 5-well map
- (d) See Exhibit I: 5-well Cross-Section

9. The Wolfcamp formation at the Kirby 26-1 well appears to have potential when compared to the logs other wells in the area.

OWNERSHIP AND NOTIFICATION

10. This well was drilling by Fasken pursuant to a joint operating agreement among the working interest owners in a State of New Mexico oil and gas lease (B-1520, dated December 1, 1932) covering all of Section 26.

11. The working interest owners will continue to share the costs and proceeds in the existing 320-acre spacing unit within Section 26 on the same basis for the proposed 80-acre spacing unit consisting of the S/2NW/4 of Section 26.

12. The well does not encroach upon any portion of Section 26 with a differing working overriding royalty or royalty interest under the lease or the joint operating agreement.

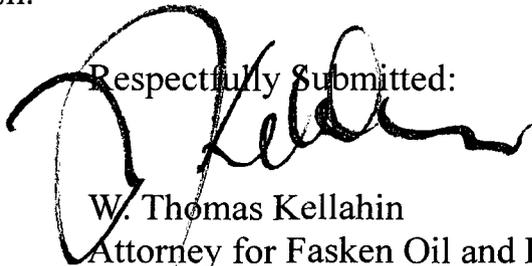
13. While notice is not required by Division Rule, as a courtesy, notice has been sent to all of the interest owners in the GPU. See Exhibit J

CONCLUSION

14. Approval of this application will afford the owners and the applicant the opportunity to produce their just and equitable share of the hydrocarbons in the Wolfcamp formation, will promote the orderly development in this area, 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.

WHEREFORE, Applicant requests that this application be approved by the Division.

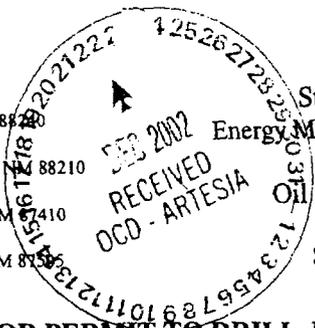
Respectfully Submitted:

A handwritten signature in black ink, appearing to read 'W. Thomas Kellahin', is written over the typed name and title.

W. Thomas Kellahin

Attorney for Fasken Oil and Ranch. Ltd.

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. Francis Dr., Santa Fe, NM 87505



State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, NM 87505

Form C-101
Revised March 17, 1999

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Fasken Oil and Ranch, Ltd. 303 West Wall, Suite 1800 Midland, TX 79701		² OGRID Number 151416
		³ API Number 30-025-36093
⁴ Property Code 31012	⁵ Property Name Kirby "26" State	⁶ Well No. 1

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	26	17S	34E		1980	North	1310	West	Lea

⁸ Proposed 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
⁹ Proposed Pool 1 North Vacuum Atoka Morrow					¹⁰ Proposed Pool 2				

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4032'
¹⁶ Multiple N	¹⁷ Proposed Depth 11,800'	¹⁸ Formation Morrow	¹⁹ Contractor Unknown	²⁰ Spud Date 1/15/03

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48#	500'	550 sx C	surface
12 1/4"	9 5/8"	36/40#	5000'	1200 sx C	surface
8 3/4"	5 1/2"	17/20#	11,800'	1850 sx C/H	4500'

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Please see the attached for procedure, casing program and BOP schematic.

Permit Expires 1 Year From Approval
Date Unless Drilling Underway



²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature: <i>Jimmy D. Canille</i>		Approved by: ORIGINAL SIGNED BY	
Printed name: Jimmy D. Canille		PAUL F. KAUTZ	
Title: Regulatory Affairs Coordinator		PETROLEUM ENGINEER	
Date: 12/20/02	Phone: (915) 687-1777	Approval Date: JAN 03 2003	Expiration Date:
		Attached <input type="checkbox"/>	

JP

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

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

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

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 30-025-36093	Pool Code 86800	Pool Name North Vacuum Atoka Morrow
Property Code 31012	Property Name KIRBY "26" STATE	Well Number 1
OGRD No. 151416	Operator Name FASKEN OIL & RANCH, LTD.	Elevation 4032'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	26	17 S	34 E		1980	NORTH	1310	WEST	LEA

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.
------------------------	-----------------	--------------------	-----------

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.

Jimmy D. Carlile
Signature

Jimmy D. Carlile
Printed Name

Regulatory Affairs Coord.
Title

December 20, 2002
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.

DECEMBER 06, 2002

Date Surveyed

[Signature]
Signature & Seal of Professional-Surveyor

W.O. No. 2982

Certificate No. Gary L. Jones 7977

BASIN SURVEYS

EXHIBIT
B

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Fasken Oil and Ranch, Ltd. 303 W. Wall, Ste 1800 Midland, TX 79701		² OGRID Number 151416
³ Property Code 31012	⁴ Property Name Kirby "26" State	⁵ API Number 30-025-36093
⁹ Proposed Pool 1 Vacuum;Wolfcamp		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	26	17S	34E		1980	North	1310	West	Lea

⁸ Proposed 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
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Additional Well Information

¹¹ Work Type Code P	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4032'
¹⁶ Multiple N	¹⁷ Proposed Depth 11765'	¹⁸ Formation Wolfcamp	¹⁹ Contractor unknown	²⁰ Spud Date 6/20/06
Depth to Groundwater unknown		Distance from nearest fresh water well greater than 1 mile		Distance from nearest surface water greater than 1 mile
Pit: Liner: Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: _____ Closed-Loop System <input type="checkbox"/> NO PIT Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2	13 3/8	48	520'	550 sx C	surface
12 1/4	9 5/8	36/40	4948'	1250 sx C	400'
8 3/4	5 1/2	20	11964'	2100 sx C	4600'

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Fasken Oil and Ranch, Ltd. proposes to recomplate the Kirby "26" State No. 1 to the Vacuum;Wolfcamp Pool. This work requires a non-standard location exception. An exception request is being prepared and will be forwarded to the NMOCD Santa Fe office the week of May 22, 2006.



²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan . NO PIT.

OIL CONSERVATION

Approved by:

Printed name: *Jimmy D. Castillo*
Title: Regulatory Affairs Coordinator
E-mail Address: jimmyc@for1.com

Title:

Approval Date:

Expiration Date:

Date: 5/18/06 Phone: 432 687-1777

Conditions of Approval Attached

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

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

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

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 30-025-36093	Pool Code 62340	Pool Name Vacuum;Wolfcamp
Property Code 31012	Property Name KIRBY "26" STATE	Well Number 1
OGRID No. 151416	Operator Name FASKEN OIL & RANCH, LTD.	Elevation 4032'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	26	17 S	34 E		1980	NORTH	1310	WEST	LEA

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 80	Joint or Infill	Consolidation Code	Order No.
-----------------------	-----------------	--------------------	-----------

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><i>Jimmy D. Carlile</i> Signature Jimmy D. Carlile Printed Name Regulatory Affairs Coord. Title 5/18/06 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>DECEMBER 06, 2002</p>
	<p>Date Surveyed</p> <p>Signature & Seal of Professional Surveyor</p> <p><i>[Signature]</i></p> <p>W.O. No. 2992</p>
	<p>Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>



OPERATOR: FASKEN OIL & RANCH
WELL/LEASE: KIRBY 26 ST. 1
COUNTY: LEA

142-0015

STATE OF NEW MEXICO
DEVIATION REPORT

241	1	11,157	2
478	1	11,308	3 1/2
972	1 1/2	11,408	3 1/4
1,464	2 1/2	11,683	4 1/4
1,591	2 3/4	11,950	4
1,773	2 1/4		
1,961	1 3/4		
2,056	1 3/4		
2,265	1 3/4		
2,673	1 1/4		
2,898	1		
3,149	3/4		
3,466	3/4		
3,679	3/4		
3,933	1/4		
4,404	1		
4,653	3/4		
5,000	3/4		
5,445	1		
5,926	3/4		
6,422	3/4		
6,897	1		
7,370	3/4		
7,841	1/4		
8,031	1/2		
8,504	1 1/4		
8,880	1		
9,351	1		
9,851	3/4		
10,346	1 1/4		
10,843	2		
11,000	2		



By: [Signature]

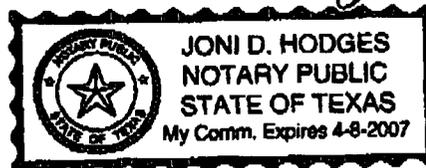
STATE OF TEXAS

COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me on this 12th day of March, 2003, by Steve Moore on behalf of Patterson-UTI Drilling Company LP, LLLP.

[Signature]
Notary Public for Midland County, Texas

My Commission Expires: 4/08/2007



Kirby "26" State No. 1
 North Vacuum Atoka Morrow
 1990 ft FNL and 1310 ft FWL
 Section 26, T17S, R34E
 Lea County, NM

MEASURED DEPTH	COURSE LENGTH	ANGLE OF INCLINATION	DISPLACEMENT/ 100 FT	COURSE DISPLACEMENT	ACCUMULATIVE DISPLACEMENT
318	3.18	0.75	1.31	4.16	4.16
869	5.51	1.00	1.75	9.62	13.78
1373	5.04	0.25	0.44	2.20	15.98
1848	4.75	0.75	1.31	6.22	22.20
2322	4.74	0.25	0.44	2.07	24.26
2807	2.85	0.75	1.31	3.73	27.99
2766	1.59	1.25	2.18	3.47	31.46
2924	1.58	1.25	2.18	3.45	34.91
3083	1.59	1.75	3.05	4.86	39.77
3209	1.26	1.25	2.18	2.75	42.51
3366	2.83	0.50	0.87	2.47	42.23
3841	4.75	1.00	1.75	8.29	50.52
3968	1.27	0.50	0.87	1.11	51.63
4449	4.81	0.75	1.31	6.30	57.93
4949	5.00	0.75	1.31	6.54	64.47
5447	4.98	0.75	1.31	6.52	70.99
5949	5.02	0.75	1.31	6.57	77.56
6517	5.68	1.25	2.18	12.39	89.95
6950	4.33	1.25	2.18	9.45	99.40
7450	5.00	1.00	1.75	8.73	108.13
7950	5.00	1.00	1.75	8.73	116.85
8450	5.00	1.25	2.18	10.91	127.76
8955	5.05	1.75	3.05	15.42	143.18
9454	4.99	1.75	3.05	15.24	158.42
9954	5.00	0.75	1.31	6.54	164.97
10449	4.95	1.25	2.18	10.80	175.76
10947	4.98	1.00	1.75	8.69	184.46
11439	4.92	0.00	0.00	0.00	184.46
11714	2.75	0.25	0.44	1.20	185.65
12607	8.93	1.50	2.62	23.38	209.03
13073	4.66	1.00	1.75	8.13	217.16
13319	2.46	0.50	0.87	2.15	219.31
13700	3.81	0.50	0.87	3.32	222.64

Maximum Displacement @ T/Wolfcamp 9437' \approx 158'



Fasken Oil & Ranch, Ltd.

Lea County, New Mexico

Kirby 26 St #1

POSTED WELL DATA



ATTRIBUTE MAP

- Any Digital Log IS PRESENT
- Any Raster Log IS PRESENT
- Zone: PRODUCTION - O_WOLFCAPIANLOWER IS PRESENT
- Zone: PRODUCTION - O_WOLFCAPIANLOWER IS PRESENT

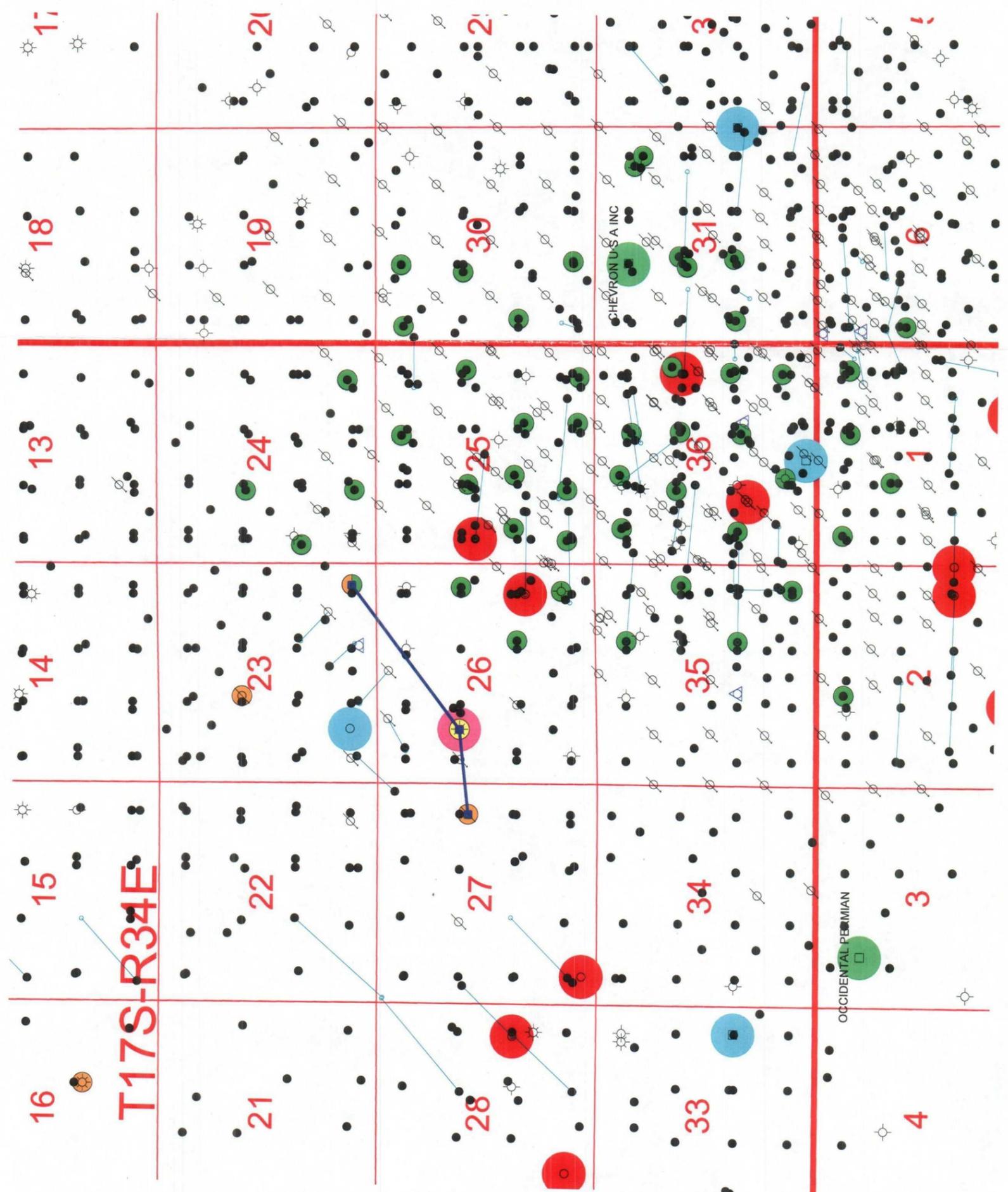


SYMBOL HIGHLIGHT

- FASKEN DRILLED WELLS
- LOCATION WELLS
- START WELLS
- WORKOVER WELLS

WELL SYMBOLS

- Location Only
- Oil Well
- Gas Well
- Oil & Gas Well
- Dry Hole
- Injection Well
- Suspended Well
- Service Well
- Temporarily Abandoned
- Abandoned Oil Well
- start well



By: DLH



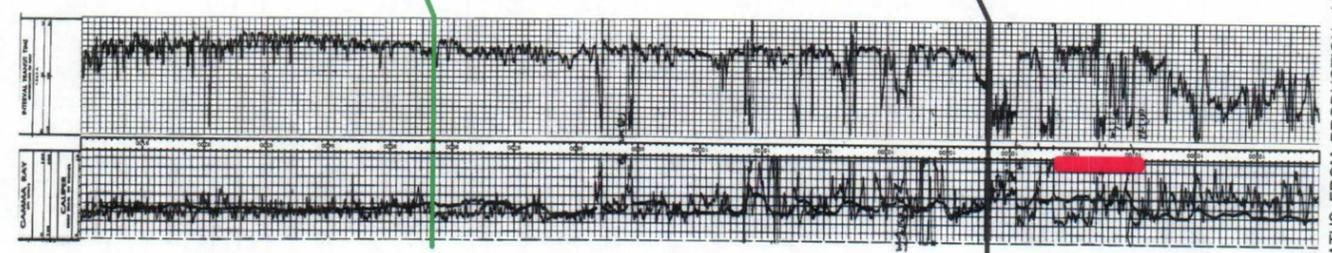
XTO
NORTH VACUUM ABO UN
T17S R34E S27
2180 FNL 660 FEL
Ø 157
TD : 12,500
ELEV_KB : 4,049

FASKEN
KIRBY 26 STATE
T17S R34E S26
1980 FNL 1310 FWL
Ø 151
TD : 11,964
ELEV_KB : 4,049

XTO
BRIDGES-STATE
T17S R34E S26
1980 FSL 1780 FEL
Ø 98
TD : 11,660
ELEV_KB : 4,032

MOBIL
BRIDGES-STATE
T17S R34E S26
1980 FNL 510 FEL
Ø 96
TD : 12,390
ELEV_KB : 4,031

MOBIL
BRIDGES-STATE
T17S R34E S23
660 FSL 460 FEL
Ø 117
TD : 10,414
ELEV_KB : 4,036



WOLF CAMP_LIME=-5520

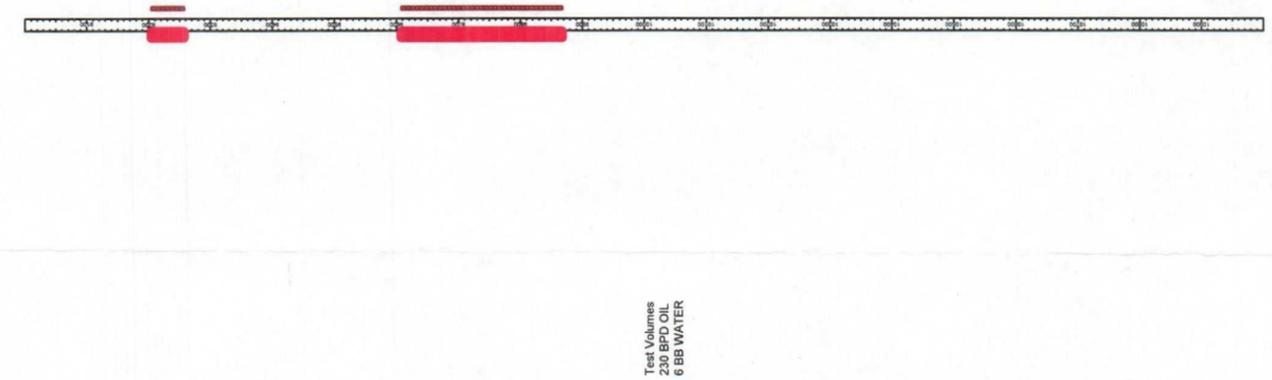
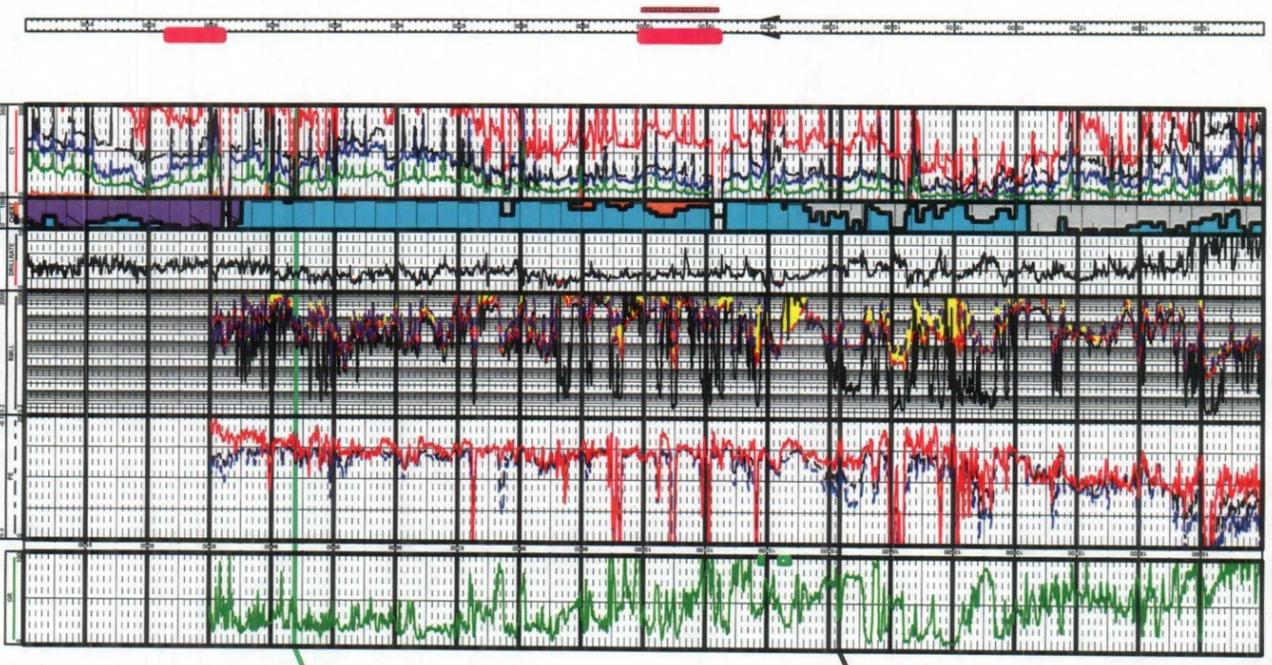
PENNSHALE=-6416

WELL STATUS FROM PRODUCTION : ACT
CUM OIL ALL ZONES : 63,254
CUM GAS ALL ZONES : 61,614
PRODUCTION AVG DAILY OIL : 41
PRODUCTION AVG DAILY GAS : 45
PRODUCTION YEARS_LEASE_PRODUCED : 3

WELL STATUS FROM PRODUCTION : ACT
CUM OIL ALL ZONES : 24,678
CUM GAS ALL ZONES : 683,786
PRODUCTION AVG DAILY OIL : 0
PRODUCTION AVG DAILY GAS : 75
PRODUCTION YEARS_LEASE_PRODUCED : 3

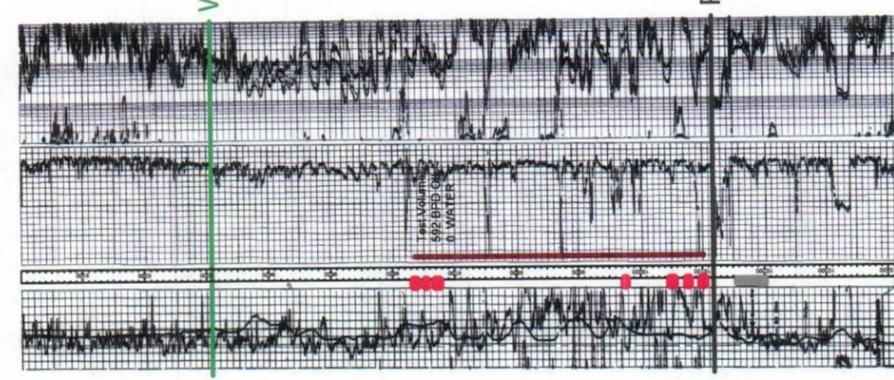
WELL STATUS FROM PRODUCTION : ACT
CUM OIL ALL ZONES : 350,897
CUM GAS ALL ZONES : 2,063,862
PRODUCTION AVG DAILY OIL : 5
PRODUCTION AVG DAILY GAS : 4
PRODUCTION YEARS_LEASE_PRODUCED : 17

WELL STATUS FROM PRODUCTION : INA
CUM OIL ALL ZONES : 306,632
CUM GAS ALL ZONES : 1,059,419
PRODUCTION AVG DAILY OIL : 42
PRODUCTION AVG DAILY GAS : 78
PRODUCTION YEARS_LEASE_PRODUCED : 4

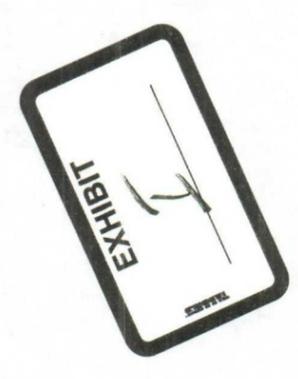


PENNSHALE=-6083

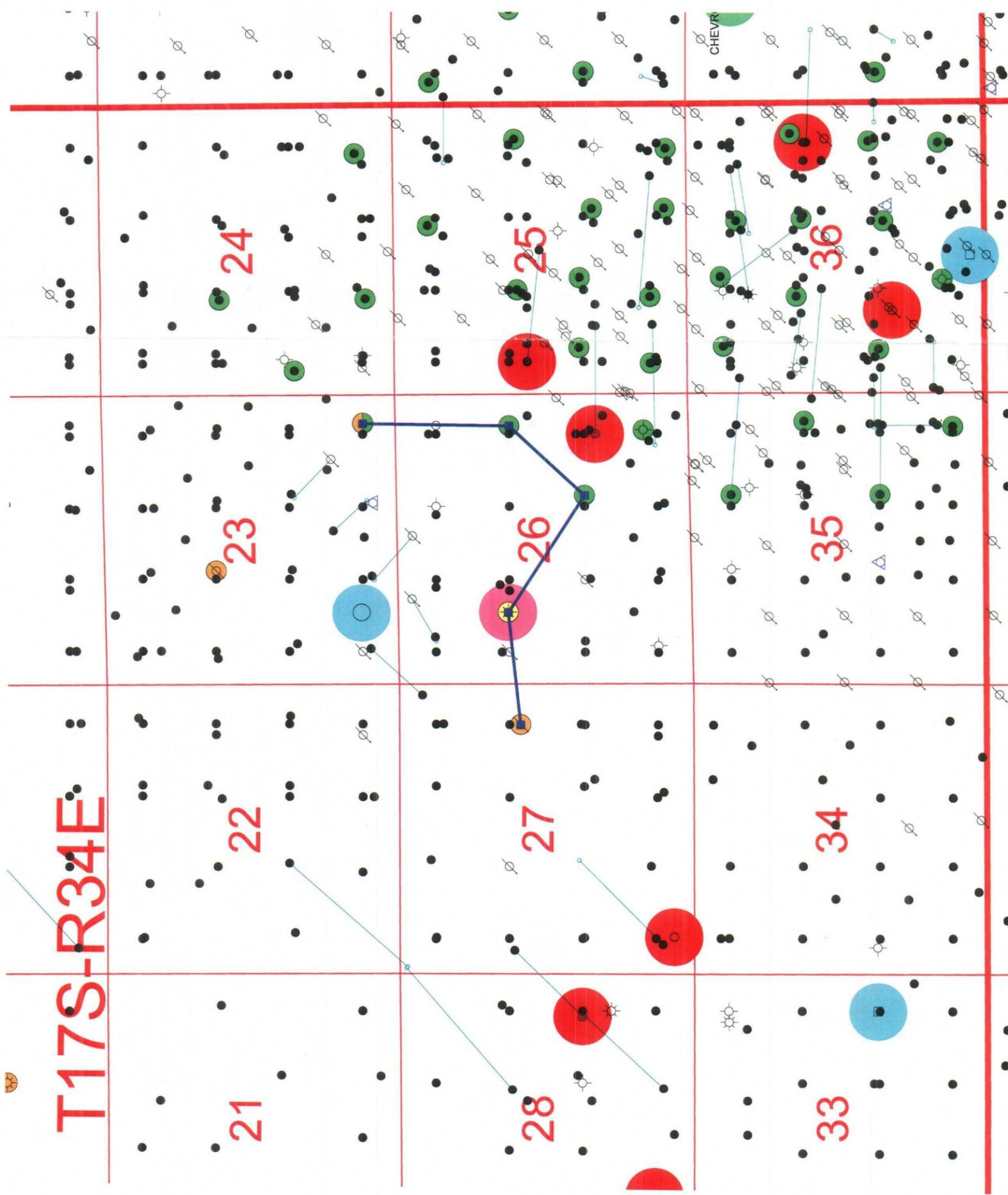
WELL STATUS FROM PRODUCTION : INA
CUM OIL ALL ZONES : 247,542
CUM GAS ALL ZONES : 227,179
PRODUCTION AVG DAILY OIL : 47
PRODUCTION AVG DAILY GAS : 107
PRODUCTION YEARS_LEASE_PRODUCED : 4



WOLF CAMP_LIME=-5273



T17S-R34E



Fasken Oil & Ranch, Ltd.

Lea County, New Mexico

Kirby 26 St #1

POSTED WELL DATA



ATTRIBUTE MAP

- Any Digital Log IS PRESENT
- Any Raster Log IS PRESENT
- Zone: PRODUCTION - O_WOLF CAMP IS PRESENT
- Zone: PRODUCTION - O_WOLF CAMP/LOWER IS PRESENT

SYMBOL HIGHLIGHT

- FASKEN DRILLED WELLS
- LOCATION WELLS
- START WELLS
- WORKOVER WELLS

WELL SYMBOLS

- Location Only
- Oil Well
- Gas Well
- Oil & Gas Well
- Dry Hole
- Injection Well
- Service Well
- Temporarily Abandoned
- start well



By: DLH



May 15, 2006

Exhibit J

(List of Working Interest Owners in the Kirby "26" State No. 1 Well under the terms of the Joint Operating Agreement by and among the following parties dated July, 1, 2002)

Fasken Land and Minerals, Ltd.
303 West Wall, Suite 1800
Midland, Texas 79701

Marshall & Winston, Inc.
P.O. Box 50880
Midland, Texas 79710

G & G Limited
550 West Texas, Suite 600
Midland, Texas 79701

GK Partners
550 West Texas, Suite 600
Midland, Texas

Mark T. Owen
3323 Providence
Midland, Texas 79707

Shirley A. Mays
P.O. Box 5682
Midland, Texas 79704

David W. Logan
P.O. Box 184
Midland, Texas 79702

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P.O. Box 5682
Midland, Texas 79704

David W. Logan
P.O. Box 184
Midland, Texas 79702

KELLAHIN & KELLAHIN
Attorney at Law

W. THOMAS KELLAHIN
TELEPHONE 505-982-4285
FACSIMILE 505-982-2047
KELLAHIN@EARTHLINK.NET

P.O. Box 2265,
SANTA FE, NEW MEXICO 87504
117 NORTH GUADALUPE,
SANTA FE, NEW MEXICO 87501

May 26, 2006

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

**NOTICE OF THE FOLLOWING NEW MEXICO OIL CONSERVATION
DIVISION ADMINISTRATIVE CASE:**

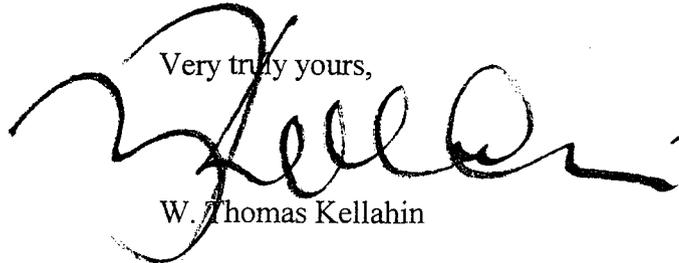
TO ALL PARTIES ON NOTICE LIST

*Re: Administrative Application of Fasken Oil and Ranch, Ltd. for
approval of an unorthodox well location for it Kirby "26" State Well No. 1, Unit
E of Section 26, T17S, R34E, Lea County, New Mexico*

Dear Party:

On behalf of Fasken Oil and Ranch, Ltd. please find enclosed a copy of its referenced administrative application. If you have no objection, then there is nothing for you to do. If you are willing to waiver objection, please sign this letter as indicated and return it to me. However, should you have any objection to the Division approving this application, then it will be necessary for you to file a written objection with the New Mexico Oil Conservation Division, 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505 within twenty (20) days of the date of this letter. Failure to file a timely objection will preclude you from objecting at a later date.

Very truly yours,



W. Thomas Kellahin

WAIVER OF OBJECTION:

By: _____ with authority for
and on behalf of _____

Dated: _____