FASKEN OIL AND RANCH, LTD.

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

> (432) 687-1777 jimmyc@forl.com

> > Jimmy D. Carille Regulatory Affairs Coordinator

January 23, 2006

Mr. Tim Gum New Mexico Oil Conservation Division 1301 W. Grande Avenue Artesia, NM 88210

VIA FACSIMILIE (505) 748-9720

Dear Mr. Gum,

Re:

Fasken Oil and Ranch, Ltd. Pit Closure Project Pecos "36" State No. 1 Sec. 36, T20S, R26E Eddy County, New Mexico API No. 30-015-32722

Fasken Oil and Ranch, Ltd. proposes to amend our current reserve pit closure plan at the Pecos "36" State No.1. We have filled the original deep bury pit proposed in our plan approved August 16, 2005.

Most of the reserve pit area, including the entire south half, has been cleaned up. We are proposing to take soil samples of the south end of the reserve pit area, and upon verification of no contamination, open up an additional deep bury pit in the south end of the reserve pit. This will provide the additional capacity needed to finish the deep bury of these materials.

As we are in the midst of this project your earliest approval is requested. Please call me at (432) 687-1777 or email me at immyc@forl.com with a verbal approval of this proposal.

Yours truly,

Jimmy D. Carlile

Regulatory Affairs Coordinator

JAN 3 0 2006