

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor Joanna Prukop Cabinet Secretary Lori Wrotenbery Director Oil Conservation Division

January 29, 2003

Fasken Oil And Ranch, Ltd. 303 West Wall Ave, Suite 1800 Midland, TX 79701-5116

RE: FASKEN OIL AND RANCH, LTDs' INDIAN HILLS UNIT WELL NO. 16, LOCATED IN UNIT E of SECTION 17, 2200' FNL & 660' FWL in TOWNSHIP 21 SOUTH, RANGE 24 EAST, EDDY COUNTY, NEW MEXICO, NMPM.

Dear Mr. Carlile,

I am returning your application to re-complete said well back to the Atoka formation filed back in October 26th of last year. Our records indicate that an administrative order for a non-standard location for this well has never been filed. If in the future Fasken's plan is to re-complete said well, please re-submit your intent for prompt review.

Yours truly, up 6. Anast

Bryan G. Arrant PES