

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON Governor Jennifer A. Salisbury **Cabinet Secretary**

Lori Wrotenbery Director **Oil Conservation Division**

January 29th, 2001

Fasken Oil and Ranch. Ltd. 303 West Wall Avenue, Suite 1800 Midland, TX 79701-5116 Attn: Tommy Taylor (Drilling and Production Manager)

RE: Fasken Oil and Ranch, Ltd application to drill the Maralo '34' Federal Well No. 4, located in Sec. 34, Township 20 South, Range 27 East, Eddy County, New Mexico, NMPM

Dear Mr. Taylor or To Whom It May Concern,

The New Mexico Oil Conservation Division (NMOCD) has reviewed the above Application to Drill. As you are aware, the Bureau of Land Management has requested a wavier from the NMOCD for setting an additional protective string of casing in the Capitan Reef.

After researching offset electric logs in the immediate area and your information of daily drilling reports containing mud information on an offset well, it is our determination that no significant salt formations exists down to the base of the reef.

Therefore, the NMOCD waives setting an additional salt protection string in order to protect groundwater.

Please feel free to call if you have any questions relating to this matter.

Yours truly, ours truly, Buy 6. Ann

Bryan G. Arrant PES, NMOCD District II

e-mail: Tim Gum, District Supervisor-Artesia NMOCD Alexis Zwoboda, Bureau of Land Management-, Roswell