



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Jon Goldstein
Cabinet Secretary

Jim Noel
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



February 10, 2010

Kimberley A. Tyson
Fasken Oil and Ranch, LTD.
303 West Wall Avenue
Suite 1800
Midland, TX 79701-5116

Re: Administrative Order SWD-1174

El Paso "3" Federal Well No. 1 (API No. 30-015-20906)
2724 FNL, 2870 FEL (Lot 11), Irreg Sec 3, T21S, R26E, NMPM, Eddy County
Injection into the Bone Spring formation from 5754 to 8178 feet

You have submitted a request for an extension of this injection permit beyond the one year deadline to commence injection for the reasons outlined in the attached correspondence.

The Division finds that granting Fasken's request to extend this injection permit beyond the normal one year is in the interest of conservation and will prevent waste and protect the environment.

All requirements of the above referenced injection permit remain in full force and effect except that the deadline to commence injection is hereby extended until May 27, 2011.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark E. Fesmire".

MARK E. FESMIRE, P.E.
Acting Director

cc: Oil Conservation Division – Artesia
File: SWD-1174



FASKEN OIL AND RANCH, LTD.

RECEIVED

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

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(432) 687-1777
kimt@forl.com

Kim Tyson
Regulatory Analyst

January 26, 2010

Mr. William Jones
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Dear Mr. Jones,

Re: El Paso "3" Federal No. 1
API No. 30-015-20906
Eddy County, New Mexico
Administrative Order No. 1174

Fasken Oil and Ranch, Ltd. received approval to convert the above referenced well to a Salt Water Disposal on May 27, 2009. Fasken Oil and Ranch, Ltd. respectfully requests an extension for one year for this permit which will expire on May 27, 2010. This Salt Water Disposal will be needed for wells in the area which will be re-completed in the Foster Draw (Delaware Oil) pool. Fasken is currently working on the re-completion of these wells.

If you have any questions or need any additional information please e-mail me at kimt@forl.com or call me at (432) 687-1777.

Thanks for your help concerning this matter.

Yours truly,


Kimberley A. Tyson
Regulatory Analyst