COMMISSIONER'S OFFICE Phone (505) 827-5760 Fax (505) 827-5766

ADMINISTRATION Phone (505) 827-5700 Fax (505) 827-5853

GENERAL COUNSEL Phone (505) 827-5713 Fax (505) 827-4262

PUBLIC AFFAIRS Phone (505) 827-1245 Fax (505) 827-5766

New Mexico State Land Office Commissioner of Public Lands Ray Powell, M.S., D.V.M.

COMMERCIAL RESOURCES Phone (505) 827-5724

Fax (505) 827-6157

MINERAL RESOURCES Phone (505) 827-5744 Fax (505) 827-4739

ROYALTY MANAGEMENT Phone (505) 827-5772 Fax (505) 827-4739

SURFACE RESOURCES Phone (505) 827-5793 Fax (505) 827-5711

November 29, 2001

New Mexico Energy, Minerals, and Natural Resources Department Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, New Mexico 87504



Michael Stogner

Re:

NMOCD Case 12777 - Fasken Oil and Ranch, Ltd.

Cameron 31 Federal Well No.2 - Proposed Non-Standard Location

2449' FNL & 408' FEL

Section 31, Township 20 South, Range 25 East

Eddy County, New Mexico

Dear Mr. Stogner:

As requested by Mr. W. Thomas Kellahin, legal representative for Fasken Oil and Ranch, Ltd., this letter is to inform you that the Commissioner of Public Lands waives objection to the proposed non-standard well location, referenced above as NMOCD case 12777, for the Cemetary Morrow gas pool. This waiver of objection is limited to the proposed well for the Cemetary Morrow gas pool only.

Please contact Jeff Albers at (505) 827-5759, if you care to discuss this further.

Sincerely,

JAMI BAILEY, Director

Oil, Gas, and Minerals Division

(505) 827-5744

JB/ja