KELLAHIN AND KELLAHIN ATTORNEYS AT LAW

Y. THOMAS KELLAHIN" New Mexico Board of Legal Specialization Recoonized Specialist in the Area of Natural Resources-oil and gas law EL PATIO BUILDING 117 NORTH GUADALUPE Post Office Box 2265 BANTA FE, NEW MEXICO 87504-8285 November 29, 2001

ASON KELLAHIN (RETIRED)991)

Via Facsimile 505-827-4739

Mr. Jeff Albers Oil, Gas & Minerals Division Office of the Commission of Public Lands P. O. Box 1148 Santa Fe, New Mexico 87504

RE: NMOCD Case 12777

Cameron 31 Federal Well No. 2 2449 feet FNL & 480 feet FEL N/2 Section 31, T20S, R25E Application to NMOCD of Fasken Oil and Ranch, Ltd. for approval of an unorthodox gas well location, Cemetary-Morrow Gas Pool, Eddy County, New Mexico

Dear Mr. Albers:

I represent Fasken Oil and Ranch. Ltd. ("Fasken") in the referenced matter which is scheduled for hearing on December 6, 2001.

I wish to inform you that Fasken will limit its application to the Cemetary-Morrow Gas Pool. On November 5, 2001, we discussed my letter to you dated November 2, 2001. It was my understanding that the Commissioner of Public Lands would be willing to withdraw its objection provided the application was limited to the Cemetary-Morrow Gas Pool.

If my understanding is still correct, I would appreciate you sending Mr. Michael E. Stogner (OCD-Santa Fe) a letter indicating that so I can request that the hearing be vacated and the application returned to him for administrative processing.

Ver

W. Thomas Kellahin

fxc: Oil Conservation Division Attn: Michael E, Stogner fxc: Fasken Oil and Ranch, Ltd. Attn: Jimmie Carlile TELEPHONE (505) 982-4285 TELEFAX (505) 982-2047