FASKEN OIL AND RANCH, LTD.

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

(432) 687-1777

Jimmy D. Carlile Regulatory Affairs Coordinator

November 21, 2003

Mr. Bryan Arrant New Mexico Oil Conservation Division 1301 W. Grand Avenue Artesia, NM 88201 30-015-21305

Dear Mr. Arrant,

NOV 2 4 2003

OCD-ARTESIA

Re:

Fasken Oil and Ranch, Ltd.

Non-Standard Proration Unit Application

Rule 104 D. (2)(a) El Paso Federal No. 4 660' FNL 1980' FWL Section 3, T21S, R26E Eddy County, New Mexico

Fasken Oil and Ranch, Ltd. is making application to the New Mexico Oil Conservation Division for a Non-Standard Proration Unit for the El Paso Federal No. 4. The well currently produces from the Avalon Morrow under Administrative Order NSP-987. This approval is necessary as Fasken is applying to the Bureau of Land Management to recomplete the well to the Avalon Strawn and Calabaza Draw Atoka, and then downhole commingle the Strawn and Atoka with the Morrow. A separate downhole commingle application is being filed today with the New Mexico Oil Conservation Division Santa Fe Office.

Attached for your review is a copy of the original C-102 showing the variation in the legal sub-division in the north half of Section 3. This well location is standard as it is approximately 300' from the quarter/quarter section line.

Your approval of this non-standard proration unit is requested at your earliest convenience. This recompletion and downhole commingle project will commence as soon as all approvals are received.

Please let me know if you have any questions.

Yours truly,

Jimmy D. Carlile

Regulatory Affairs Coordinator

FOR RECORDS ONLY

NSP n-T MEDICAL

NSP n

1559

Well No. "3" FEDERAL DAVID FASKEN EL PASO Und Letter Township Eddy 21 South 26 East As taul Footone I ocution of Well; 660 1980 West North teet from the feet from the tine and Crowal Level Flev Dedicated Acreage: 277.18 Acres 1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc? If answer is "yes," type of consolidation Working Interest Unit No If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-mooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission. CERTIFICATION line of Section I hereby certify that the information conein is true and complete to the Lot 1 Lot 1 Position Ageni by certify that the well location RECEIVE NOV 2 4 200 OCD-ARTE Date Surveyed June 27, 1974 Registered Professional Engineer Lot 1G Or Land Surveyor

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