

NEW MEXICO ENERGY, MINERALS and
NATURAL RESOURCES DEPARTMENT

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JAN 08 2008

FASKEN OIL AND
RANCH, LTD.

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation

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Field Inspection
"Preserving the Integrity of Our Environment"

07-Jan-2008

FEB 22 2008

Fasken Oil & Ranch LTD
303 West Wall, Suite 1800
Midland, TX 79701

HOBBS OCD

UL S-T-R
E-26-17S-34E

Property Name
Kirby 26 State

API Well No.
30-25-36093-00-00

Well No.
001

Form C-103, Report of Plugging has been approved as to plugging of the Well Bore. Liability under bond is retained until an NMOCD representative has made an inspection of the location and found it to be cleared to comply with OCD rules and regulations. Please check each item in the space provided to indicate that the work has been accomplished and the location is ready for final inspection.

1. All pits have been remediated, filled and leveled.
2. Rat hole and cellar have been filled and leveled.
3. A steel marker 4" in diameter and approximately 4' above mean ground level has been set in concrete to mark the exact location of the plugged well. (Marker must have operator name, lease name, well number and location including quarter/quarter section or unit letter, section, township, range and API well ID number permanently welded, stamped or otherwise engraved into the metal marker.)
4. The location has been leveled as nearly as possible to original top ground contour and has been cleared of all junk and equipment.
5. The dead men and tie downs have been cut and removed.
6. If a one well lease or last remaining well on lease, the battery and burn pit locations have been remediated, leveled and cleared of all junk & equipment.
7. All environmental concerns have been addressed as per OCD guidelines.

The above are minimum requirements and no plugging bond will be cancelled until all locations for plugged and abandoned Wells have been inspected.

When all of the work outlined above has been done, please notify this office by completing, signing and returning this letter to us so that our representative will not have to make more than one trip to the location.

I certify that the above work has been done and the above-mentioned lease is ready for OCD inspection and approval.

Signature Jimmy D. Carlile Title Regulatory Affairs Date 2/19/08
Print Name Jimmy D. Carlile

Oil Conservation Division • 1625 N. French Drive • Hobbs, New Mexico 88240
Phone: (505) 393-6161 • Fax (505) 397-0720 • <http://www.emnrd.state.nm.us>

DCP has been notified to remove their meter runs from this location.

PA OK
to
release
2-27-08
MW