

September 26, 1997

Fasken Oil & Ranch, Ltd
303 West Wall Avenue, Suite 1900
Midland, Texas 79701-5116

Re: Ling Federal #2-L, Sec. 31, T19S, R34E

Gentlemen:

I have received and taken under advisement your request for an exemption from the annual shut in pressure test on the above referenced well as required by Division Rule 402.

Your request is granted an exemption for 1997 only.

To receive a permanent exemption, it will be necessary to submit your request, stating the following information:

1. Date or dates the well was shut in.
2. Problems encountered when the well is re-activated.
3. Time frame required to bring the well to full production as experienced prior to shutting in the well.

If you choose to request an exemption beyond the current year, I will evaluate the information and make a determination on a possible exemption for the future of the well.

If you have any questions, please feel free to call.

Very truly yours

OIL CONSERVATION DIVISION

Chris Williams
Supervisor, District I

cc: David Catanach
File