

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

HOBBS OCD

OCT 05 2015

Form C-129
Revised August 1, 2011

Submit one copy to appropriate
District Office

NFO Permit RECEIVED

(For Division Use Only)

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 19.15.18.12

(See Rule 19.15.18.12 NMAC and Rule 19.15.7.37 NMAC)

A. Applicant Fasken Oil and Ranch, Ltd.,

whose address is 6101 Holiday Hill Road, Midland, Texas 79707-1631,

hereby requests an exception to Rule 19.15.18.12 for 90 days or until

01/31/2016, for the following described tank battery (or LACT):

Name of Lease Grande Name of Pool East Stallion-Devonian/Pool 96633

Location of Battery: Unit Letter M Section 3 Township 13S Range 38E (Lea Co NM)

Number of wells producing into battery One (API #30-025-33502)

B. Based upon oil production of 12 barrels per day, the estimated * volume

of gas to be flared is 1.7 MCF; Value \$4.30 (at \$2.53/mcf, 09/2015 IF FOM EP-PB) per day.

C. Name and location of nearest gas gathering facility:

Targa Midstream

D. Distance 1.5 Miles Estimated cost of connection \$95,000

E. This exception is requested for the following reasons:

It is uneconomical to connect the well to Targa at the current production rate and commodity prices.

The location is approx. 5.04 mi east and 2.8 mi south of Gladiola NM. No structures within

1 mile radius of location. (Payout= 61 yrs) No changes in pipelines options since last filing

OPERATOR

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature Bryant Baeza

Printed Name Sherard Bryant Baeza
& Title New Mexico Production Analyst

E-mail Address bryantb@forl.com

Date 10/1/2015 Telephone No. 432-687-1777

OIL CONSERVATION DIVISION

Approved Until 1/31/2016

By Markus Brown

Title District Supervisor

Date 10/5/2015

* Gas-Oil ratio test may be required to verify estimated gas volume.

OCT 07 2015