

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTN.M. Oil Cons Division
1625 N. French Dr.
Hobbs, NM 88240FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. MM0889
2. Name of Operator MARALO, LLC		6. If Indian, Allottee or Tribe Name
3a. Address P. O. BOX 832, MIDLAND, TX 79702	3b. Phone No. (include area code) (915) 684-7441	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) UL. D, 467- FNL & 467' FML, SECTION 6, TOWNSHIP 26 SOUTH, RANGE 38 EAST		8. Well Name and No. M. D. SELF #3
		9. API Well No. 30-025-12447
		10. Field and Pool, or Exploratory Area 37240 LANGIE MATTIX; 7 RVRS-Q-GRAYBURG
		11. County or Parish, State LEA, NEW MEXICO

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other GAS VENTING
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	APPROVAL
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

MARALO, LLC HAS RECEIVED APPROVAL TO VENT GAS ON THE M. D. SELF LEASE WELLS FROM THE OIL CONSERVATION DIVISION. FORM C-129, APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306 (NFO PERMIT NO. I-867) WAS APPROVED FOR THE M. D. LEASE FROM APRIL 11, 2000 TO APRIL 11, 2001 (SEE ATTACHED). THE M. D. SELF BATTERY IS LOCATED AT THE WELL #3, UNIT LETTER D, 467' FNL & 467' FWL, SECTION 6, TOWNSHIP 26 SOUTH, RANGE 38 EAST, IN LEA COUNTY, NEW MEXICO.

THE EXCEPTION WAS GRANTED DUE TO AN ECONOMIC FEASIBILITY STUDY TO REPAIR OR RETIRE THE EXISTING PIPELINE WHICH IS BEING CONDUCTED BY SID RICHARDSON GASOLINE COMPANY, THE SOLE SOURCE PIPELINE OWNER. THERE IS NO OTHER ALTERNATE TRANSPORTATION SOURCE IMMEDIATELY AVAILABLE. NEGOTIATIONS WITH OTHER PURCHASERS ARE UNDERWAY. ALL AVENUES TO CONTINUE GAS SALES FROM THIS LEASE ARE BEING SOUGHT AS SOON AS POSSIBLE.

APPROVED TO
STATE APPROVAL
BY STATE

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) DOROTHEA LOGAN		Title REGULATORY ANALYST
Signature <i>Dorothea Logan</i>		Date APRIL 14, 2000

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by (OFFICIAL) DAVID R. GLESS	PETROLEUM ENGINEER	Date APR 17 2000
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

GWV

100-100000

RECEIVED
APR 17 2001

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District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Form C-129
Revised March 17, 1999

Submit 3 Copies to appropriate
District Office

NFO Permit No. I-867
(For Division Use Only)

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306
(See Rule 306 and Rule 1129)

- A. Applicant MARALO, LLC
whose address is P. O. BOX 832, MIDLAND, TX 79702
hereby requests an exception to Rule 306 for UNLIMITED days or until
-, Yr -, for the following described tank battery (or LACT):
Name of Lease M. D. SELF Name of Pool LANGLIE MATTIX; 7 RVRS-QN-GRAYBURG
Location of Battery: Unit Letter D Section 6 Township 26 Range 38
Number of wells producing into battery 1 (#3)
- B. Based upon oil production of 3 barrels per day, the estimated * volume
VENTED
of gas to be flared is 10 MCF; Value 20.00 per day.
- C. Name and location of nearest gas gathering facility:
NONE AVAILABLE
- D. Distance - Estimated cost of connection -
- E. This exception is requested for the following reasons: GAS PURCHASER SID RICHARDSON IS
REVIEWING THE ECONOMIC FEASIBILITY TO REPAIR EXISTING SOLE SOURCE PIPELINE. THERE IS
NO OTHER ALTERNATE SOURCE CURRENTLY AVAILABLE.

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 Dorothea Logan

Printed Name
& Title DOROTHEA LOGAN, REGULATORY ANALYST

Date 04/06/00 Telephone No. (915) 684-7441

OIL CONSERVATION DIVISION

Approved Until 4-11-2001

By ORIGINAL SIGNED BY CHRIS WILLIAMS
DISTRICT I SUPERVISOR

Title

Date APR 11 2000

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

RECEIVED
APR 17 2000
2:17 PM