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 Form C-129 Revised August 1, 2011

Submit one copy to appropriate District Office

NFO Permit No. (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) HOBBS OCD Applicant Fasken Oil and Ranch, Ltd. A. DEC 08 2014 whose address is 6101 Holiday Hill Road, Midland, Texas 79707-1631 hereby requests an exception to Rule 19.15.18.12 for <u>December 31, 2015</u>, 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) Based upon oil production of 12 barrels per day, the estimated \* volume of gas to be **flared** is \_\_\_\_1.7 \_\_\_\_ MCF; Value \_\_\_\$7.16 (@ \$4.21/mcf: 12/2014 IF FOM EP-PB) \_\_\_ per day. C. Name and location of nearest gas gathering facility: Targa Midstream Distance 1.5 Miles Estimated cost of connection \$95,000 D. 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= 35+ yrs) No changes in pipelines options since last filing. **OIL CONSERVATION DIVISION OPERATOR** I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above Approved Until is true and complete to the best of my knowledge and belief. Signature Printed Name Sheila Payne Don Kija Alizar okt & Title Marketing and Production Acctg Manager E-mail Address sheilap@forl.com Date 12/4/2014 Telephone No. 432-687-1777

<sup>\*</sup> Gas-Oil ratio test may be required to verify estimated gas volume.