

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

HOBBS OCD
JUL 18 2016
RECEIVED

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)

A. Applicant Fasken Oil and Ranch Ltd.

whose address is 6101 Holiday Hill Road, Midland TX, 79707,
hereby requests an exception to Rule 19.15.18.12 for 90 days or until

_____, Yr _____, for the following described tank battery (or LACT):

Name of Lease Denton Name of Pool Denton (Wolfcamp); Denton (Devonian)

Location of Battery: Unit Letter F Section 11 Township 15S Range 37E

Number of wells producing into battery 13

B. Based upon oil production of _____ barrels per day, the estimated * volume
of gas to be flared is 370 MCF; Value _____ per day.

C. Name and location of nearest gas gathering facility:

Davis Gas Processing

D. Distance _____ Estimated cost of connection _____

E. This exception is requested for the following reasons: Kinder Morgan will be performing integrity tests on Davis Gas Processing pipeline that will cause us to flare our gas. They think it will be down from July 18th to August 5th but we would like to go ahead and apply for the 90 days. Please see attachment. API No. 30-025-05288; 30-025-05289; 30-025-05290; 30-025-05291; 30-025-05294; 30-025-05295; 30-025-05296; 30-025-05297; 30-025-05298; 30-025-05299; 30-025-05302; 30-025-25331; 30-025-41053

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 Addison Long

Printed Name
& Title Addison Long, Regulatory Analyst

E-mail Address addisonl@forl.com

Date 7/15/16 Telephone No. 432-687-1777

OIL CONSERVATION DIVISION

Approved Until 10/18/2016

By Markus Brown

Title Dist Supervisor

Date 7/18/2016

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

DAVIS GAS PROCESSING, INC.

211 North Colorado
Midland, Texas 79701-4696

Telephone: (432) 682-6311
Telecopier: (432) 682-2594

June 17, 2016

**TO PRODUCERS OPERATING LEASES IN LEA COUNTY, NEW MEXICO
THAT ARE CONNECTED TO THE DENTON GAS PLANT**

RE: Force Majeure Event

Please be advised that we will experience a force majeure situation affecting your Company's leases that are connected to our Denton Gas Plant's gas gathering system in Lea County, New Mexico.

From July 18 to August 5, you will likely experience a temporary interruption of takes of gas produced from your leases in the above referenced area. During this event, our residue transporter, Kinder Morgan (El Paso Natural Gas) will be performing integrity tests on their pipeline that is downstream of our plant. Depending on the results of these tests, this event could be prolonged.

Please notify the appropriate personnel within your company of this force majeure event. If need be, please feel free to contact our plant at 575-396-5385 to inquire about the status of this event.

We appreciate your cooperation and attention to this important matter.

Yours very truly,

Rick P. Watkins
Director, Gas Supply

Cc: Mr. Maury Thornton
Mr. Michael Davis
Mr. David Freeman
Mr. Austin Hawk