

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 180 days or until

January 15, Yr 2017, for the following described tank battery (or LACT):

Name of Lease Griffin Name of Pool McDonald Upper Penn-Pool 44975

Location of Battery: Unit Letter A Section 4 Township 14S Range 36E

Number of wells producing into battery 1 API (30-025-23781)

B. Based upon oil production of 5 barrels per day, the estimated * volume
of gas to be flared is .7 MCF; Value \$1.79 (@ \$2.56/Mcf, 7/2016 IF FOM EP-PB) per day.

C. Name and location of nearest gas gathering facility:

WTG Gas Gathering, NW/4 of Section 5, T14S, R36E, Lea Co NM

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

E. This exception is requested for the following reasons: At current gas prices, pay out of the gas pipeline would be 187+ years, making the project uneconomical. Permission to flare is requested.
No new pipeline options since last filing. We are asking for an extension to the 90 day period due to the low volume being flared of less than 1MCFPD.

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 7/13/16 Telephone No. 432-687-1777

OIL CONSERVATION DIVISION

Approved Until 1/15/2017

By Markus Brown
Title Dist Supervisor

Date 7/18/2016

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