State of New Mexico Energy Minerals and Natural Resources District I 1625 N. French Dr., Hobbs, NM 88240 Form C-129 1220 South St. Francis Dr. Santa Fe, NM 87505 Revised August 1, 2011 District II 811 S. First St., Artesia, NM 88210 Submit one copy to appropriate District III 1000 Rio Brazos Road, Aztec, NM 87410 District Office District IV NFO Permit No. 1220 S. St. Francis Dr., Santa Fe, NM 87505 (For Division Use Only) RECEIVED **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) Applicant Fasken Oil and Ranch Ltd. A. 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 , Yr 2017, for the following described tank battery (or LACT): July 14 Name of Lease Grande Name of Pool East Stallion-Devonian/Pool 96633 Location of Battery: Unit Letter M Section 3 Township 13S Range 38E Number of wells producing into battery 1 API (30-025-33502) Based upon oil production of ______ barrels per day, the estimated * volume Β. of gas to be flared is 2.3 MCF; Value . C. Name and location of nearest gas gathering facility: Targa Mid-Stream Services at the battery Distance <u>1.5 Miles</u> 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= 77 years) No changes in pipeline options since last filing. We are asking for an extension to the 90 day period due to the low volume being flared. OIL CONSERVATION DIVISION **OPERATOR** MILLIAM 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.	Approved Until
Signature Adda	By MapyBrown
Printed Name & Title <u>Addison Long, Regulatory Analyst</u>	Title AO/IL
E-mail Address addisonl@forl.com	Date 1/17/2017
Date 1/11/17 Telephone No. 432-687-1777	

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