

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)

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 30 days or until

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

Name of Lease Laguna "16" State Name of Pool Salt Lake; Bone Spring

Location of Battery: Unit Letter P Section 16 Township 20S Range 32E ✓

Number of wells producing into battery 2

B. Based upon oil production of _____ barrels per day, the estimated * volume

of gas to be flared is See Below MCF; Value _____ per day.

C. Name and location of nearest gas gathering facility:

Frontier Field Services

D. Distance _____ Estimated cost of connection _____

E. This exception is requested for the following reasons: Fasken is requesting a flare permit starting April 24th through May 23rd 2017. Frontier is shutting us in due to some maintenance issues on their Maljamar System. The Plant plans on being shut down for 5 days, but we would like to request 30 days in case of unforeseen issues.
Laguna "16" State No. 2H: API 30-025-40680, 80 mcfpd will be flared; Laguna "16" State No. 9H: API 30-025-42132, 120 mcfpd will be flared.

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 3/20/17 Telephone No. 432-687-1777

OIL CONSERVATION DIVISION

Approved Until 5/23/2017

By Markus Brown

Title AO/II

Date 3/27/2017

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

Addison Long

From: Odie Roberts
Sent: Monday, March 20, 2017 8:28 AM
To: Addison Long
Cc: Samantha Rodriguez; Chance Sexton; Lucas Hedrick; Mark Jacobs
Subject: FW: Maljamar System - Planned/Scheduled Maintenance
Attachments: Frontier FM Apr 24-28.pdf

Addison,

We will need flaring permits for the wells listed below. The plant shut down will start April 24th and be over April 28th. As always I would add a few days to the request in case they have any unforeseen issues coming back online. Please let me know if you have any questions.

| Well Number | Estimated Daily Gas Volume |
|-----------------------|----------------------------|
| Laguna 16 State No.1 | 180 mcfpd |
| Laguna 16 State No.2H | 80 mcfpd |
| Laguna 16 State No.9H | 120 mcfpd |
| Total | 380 mcfpd |

Thanks,



Odie Roberts Jr.

Fasken Oil and Ranch, Ltd. | 6101 Holiday Hill Road | Midland Texas 79707-1631

odier@forl.com | O: 432-687-1777 | F: 432-687-1570 | M: 432-556-1454 | Sat: 877-424-0139

From: Sheila Payne

Sent: Tuesday, March 14, 2017 3:33 PM

To: Odie Roberts <odier@forl.com>; Mark Jacobs <markj@forl.com>

Cc: Michelle Brabham <michelleb@forl.com>; Samantha Rodriguez <samanthar@forl.com>

Subject: RE: Maljamar System - Planned/Scheduled Maintenance

Here is the official letter.

Thanks,

Sheila Payne

Fasken Oil and Ranch, Ltd.

O: 432-687-1777 | C: 432-889-6699 | sheilap@forl.com

From: Sheila Payne

Sent: Wednesday, March 08, 2017 10:00 AM

To: Odie Roberts <odier@forl.com>; Mark Jacobs <markj@forl.com>
Subject: FW: Maljamar System - Planned/Scheduled Maintenance

Regarding the Laguna gas.

Thanks,

Sheila Payne
Fasken Oil and Ranch, Ltd.
O: 432-687-1777 | C: 432-889-6699 | sheilap@forl.com

From: Hull, Jeff [<mailto:jhull@akaenergy.com>]
Sent: Tuesday, March 07, 2017 9:26 AM
To: McGaughey, Mike (Mike.McGaughey@apachecorp.com) <Mike.McGaughey@apachecorp.com>; Deborah Caraway (DCaraway@concho.com) <DCaraway@concho.com>; Cindy Hetzel (chetzel@concho.com) <chetzel@concho.com>; Yarbrough, Brad (Brad.Yarbrough@apachecorp.com) <Brad.Yarbrough@apachecorp.com>; Gil Glinnsman (GGlinnsman@concho.com) <GGlinnsman@concho.com>; Ron Beasley (rbeasley@concho.com) <rbeasley@concho.com>; Dorffeld, John W (JDorffeld@chevron.com) <JDorffeld@chevron.com>; Cantrell, Cynthia (Cynthia.Cantrell@dvn.com) <Cynthia.Cantrell@dvn.com>; Hise, Devyon (Devyon.Hise@dvn.com) <Devyon.Hise@dvn.com>; Siwald, Scott M (Scott.M.Siwald@conocophillips.com) <Scott.M.Siwald@conocophillips.com>; mlynch@mewbourne.com
Cc: 'Michelle_Reynolds@oxy.com' <Michelle_Reynolds@oxy.com>; ken.jones@premieroilgas.com; Rod M. Banks (rbanks@vnrlc.com) <rbanks@vnrlc.com>; Steven Hunter (SHunter@limerockresources.com) <SHunter@limerockresources.com>; 'wglasgow@burnettoil.com' <wglasgow@burnettoil.com>; Lee McMillan (lmcmillan@cimarex.com) <lmcmillan@cimarex.com>; Sheila Payne <sheilap@forl.com>; Randall Hudson (rhudson@hudsonoil.com) <rhudson@hudsonoil.com>; Travis McGraw (tmcgraw@legacylp.com) <tmcgraw@legacylp.com>; 'Rhonda Shutts (rshutts@mec.com)' <rshutts@mec.com>; 'tgreen@nearburg.com' <tgreen@nearburg.com>; 'Sandy Lawlis (skl@vfpetroleum.com)' <skl@vfpetroleum.com>; 'Holly_King@oxy.com' <Holly_King@oxy.com>
Subject: RE: Maljamar System - Planned/Scheduled Maintenance

All,

The dates for the outage/turnaround have been confirmed and are scheduled for the week of April 24th so we will be preparing a letter to send out this week with more details.
The plan is to bring the plant back online on Friday the 28th.

If you have any questions let me know.

Thanks,

Jeff Hull
VP Gas Supply
Aka Energy Group, LLC
918-388-8420
918-260-4916 cell

From: Hull, Jeff
Sent: Tuesday, February 28, 2017 8:44 AM
To: McGaughey, Mike (Mike.McGaughey@apachecorp.com); Deborah Caraway (DCaraway@concho.com); Cindy Hetzel (chetzel@concho.com); Yarbrough, Brad (Brad.Yarbrough@apachecorp.com); Gil Glinnsman (GGlinnsman@concho.com); Ron Beasley (rbeasley@concho.com); Dorffeld, John W (JDorffeld@chevron.com); Cantrell, Cynthia

(Cynthia.Cantrell@dvn.com); Hise, Devyon (Devyon.Hise@dvn.com); Siwald, Scott M (Scott.M.Siwald@conocophillips.com); mlynch@mewbourne.com
Cc: 'Michelle_Reynolds@oxy.com'; ken.jones@premieroilgas.com; Rod M. Banks (rbanks@vnrlc.com); Steven Hunter (SHunter@limerockresources.com); 'wglasgow@burnettoil.com'; Lee McMillan (lmcmillan@cimarex.com); 'sheilap@forl.com'; Randall Hudson (rhudson@hudsonoil.com); Travis McGraw (tmcgraw@legacyp.com); 'Rhonda Shutts (rshutts@mec.com)'; 'tgreen@nearburg.com'; 'Sandy Lawlis (skl@vfpetroleum.com)'; 'Holly_King@oxy.com'
Subject: RE: Maljamar System - Planned/Scheduled Maintenance

All,

I am trying to find out the exact dates for the 5 day outage/turnaround planned in April.
We were originally shooting for the 1st week of April, but I am fairly confident that has been pushed out and we will send notification as soon as possible.

My apologies for the delay and feel free to call me with any questions or concerns.

Best regards,

Jeff Hull
VP Gas Supply
Aka Energy Group, LLC
918-388-8420
918-260-4916 cell

From: Hull, Jeff
Sent: Friday, January 20, 2017 10:20 AM
To: McGaughey, Mike (Mike.McGaughey@apachecorp.com); Deborah Caraway (DCaraway@concho.com); Cindy Hetzel (chetzel@concho.com); Yarbrough, Brad (Brad.Yarbrough@apachecorp.com); Gil Glinnsman (GGlinnsman@concho.com); Ron Beasley (rbeasley@concho.com); Dorffeld, John W (JDorffeld@chevron.com); Cantrell, Cynthia (Cynthia.Cantrell@dvn.com); Hise, Devyon (Devyon.Hise@dvn.com); Siwald, Scott M (Scott.M.Siwald@conocophillips.com); mlynch@mewbourne.com
Cc: 'Michelle_Reynolds@oxy.com'; ken.jones@premieroilgas.com; Rod M. Banks (rbanks@vnrlc.com); Steven Hunter (SHunter@limerockresources.com); 'wglasgow@burnettoil.com'; Lee McMillan (lmcmillan@cimarex.com); 'sheilap@forl.com'; Randall Hudson (rhudson@hudsonoil.com); Travis McGraw (tmcgraw@legacyp.com); 'Rhonda Shutts (rshutts@mec.com)'; 'tgreen@nearburg.com'; 'Sandy Lawlis (skl@vfpetroleum.com)'
Subject: Maljamar System - Planned/Scheduled Maintenance

At the present time, a five (5) day complete shutdown is planned during the month of April, 2017 for maintenance. The dates have not been scheduled but we will send letters out with more details as soon as the exact dates are confirmed.

I just wanted to give you heads-up and I will try and send another email ahead of the letter.

Thanks,

Jeff Hull
VP Gas Supply
Aka Energy Group, LLC
918-388-8420
918-260-4916 cell