

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

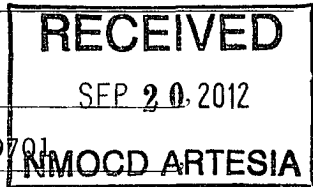
Form C-129
Revised August 1, 2011

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 303 W. Wall St., Ste. 1800, Midland, TX 79701
hereby requests an exception to Rule 19.15.18.12 for Please see Attached days or until _____, Yr _____, for the following described tank battery (or LACT):
Name of Lease Soapberry Draw "7" Name of Pool Catclaw Draw, Delaware, East
State No. 1
Location of Battery: Unit Letter K Section 7 Township 21S Range 26E
Number of wells producing into battery 1
- B. Based upon oil production of _____ barrels per day, the estimated * volume of gas to be flared is 10 MCF; Value _____ per day.
- C. Name and location of nearest gas gathering facility:
DCP
- D. Distance _____ Estimated cost of connection _____
- E. This exception is requested for the following reasons: Please see attached.

30-015-32696

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 Kim Tyson

Printed Name & Title Kim Tyson, Regulatory Analyst

E-mail Address kimt@for1.com

Date 9-14-2012 Telephone No. 432-687-1777

OIL CONSERVATION DIVISION

Approved Until Dec 31 - 2012

By ADade

Title Dist II Supervisor

Date 10/17/2012

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

Fasken Oil and Ranch, Ltd.
Request to Flare Casinghead Gas and Gas Well Gas
Sundry Notice Attachment

Fasken Oil and Ranch, Ltd. requests permission to flare casinghead gas and gas well gas from the wells listed below. DCP is performing a detailed review and analysis of its gathering system due to significant growth. DCP discovered the D-10 pipeline has 12 miles of high pressure pipeline that is operating over the pipeline's corrosion allowance adjusted MAOP between the Burton Flat Booster Station and Winchester Booster Station. DCP has immediately shut off gas coming into the Burton Flat, Penroc, and Rambo Booster Stations to maintain the safety and stability of the system. DCP will hydro-test the pipeline to determine if it can safely operate at a higher corrosion allowance adjusted MAOP or whether the pipeline will have to be replaced with higher rated pipe. Please see attached e-mail. Fasken is not sure of the time period for this request, but DCP will keep us informed.

Kim Tyson

From: Jimmy Carlile [jimmyc@forl.com]
Sent: Friday, September 14, 2012 7:42 AM
To: kimt@forl.com
Subject: FW: DCP D-10 Line Exceeding MAOP - Mandatory Shut-In
Importance: High

See Odie's note below. Please respond to him and me, and get the flaring paperwork started.

From: Odie Roberts [mailto:odier@forl.com]
Sent: Thursday, September 13, 2012 2:16 PM
To: Jimmy Carlile
Cc: Mark Jacobs; richard
Subject: FW: DCP D-10 Line Exceeding MAOP - Mandatory Shut-In
Importance: High

Jimmy,

The following wells will be affected by the shut in for DCP described below. If they are 50 mcf per day or less do we still have to have a flaring permit to flare? They are all sour wells except for the Slingshot.

Avalon 10 Fed No. 23
Avalon 20 Fed No. 22
Lakeshore 10 Fed No. 5
Soapberry Draw 7 State No. 1
Slingshot 35 Fed No. 1

Thanks,

Odie Roberts Jr.
Fasken Oil and Ranch, Ltd.
432-687-1777 Office
432-556-1454 Cell
877-424-0139 Sat.
432-687-1570 Fax

From: Sheila Payne [mailto:sheilap@forl.com]
Sent: Thursday, September 13, 2012 1:08 PM
To: Odie Roberts
Subject: FW: DCP D-10 Line Exceeding MAOP - Mandatory Shut-In
Importance: High

Fyi.

Thanks,
Sheila

9/14/2012

From: Frees, Amy M [<mailto:AMFrees@dcpmidstream.com>]
Sent: Thursday, September 13, 2012 11:50 AM
To: sheilap@forl.com
Subject: DCP D-10 Line Exceeding MAOP - Mandatory Shut-In
Importance: High

Sheila,

I left you a voice message and am following up with an email.

As a result of significant growth on DCP's system, DCP is performing a detailed review and analysis of its gathering system. As a result of the review, the D-10 pipeline was discovered to have 12 miles of high pressure pipeline operating over the pipeline's corrosion allowance adjusted MAOP between the Burton Flat Booster Station and Winchester Booster Station. To maintain safety and the stability of the system, DCP is shutting off gas coming into the Burton Flat, Penroc and Rambo Booster Stations, immediately.

The following meters and respective volume will be affected.

| Meter Number | Meter Name | Meter Volume | Producer Name |
|--------------|---------------------------|--------------|------------------------|
| 711597-00 | Soapberry Draw 7 State #1 | 0 | FASKEN OIL & RANCH LTD |
| 714386-00 | AVALON 10 FEDERAL 23 | 14.8 | FASKEN OIL & RANCH LTD |
| 713292-00 | Slingshot 35 Fed 1 | 51.5 | FASKEN OIL & RANCH LTD |

As a solution, DCP will hydro-test the pipeline to determine if it can safely operate at a higher corrosion allowance adjusted MAOP or whether DCP should fully replace the pipeline with higher rated pipe. We will keep you informed of our review and analysis and immediate opportunities to bring back on gas.

Thank you for your continued support as we work to maintain and optimize our system.

Amy

Amy M. Frees
Commercial Accounts Manager
Commercial – Western Division
DCPMidstream
 10 Desta Dr., Suite 400-West
 Midland, TX 79705

(o) 432-620-4057
 (m) 432-488-9139
 (f) 432-620-4011
 email: AMFrees@dcpmidstream.com
www.dcpmidstream.com

--

This message has been scanned for viruses and dangerous content by **Basin Broadband, Inc.,**

9/14/2012

utilizing DefenderMX technology, and is believed to be clean.

(