

District I  
1625 N French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, 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

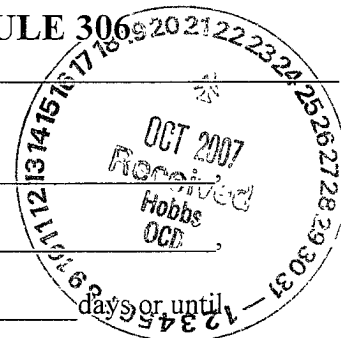
Form C-129  
Revised March 17, 1999

Submit 3 Copies to appropriate  
District Office

NFO Permit No. I-895E  
(For Division Use Only)

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

(See Rule 306 and Rule 1129)



A. Applicant Finley Resources, Inc.  
whose address is 1308 Lake St, Ste 200, Fort Worth, TX 76102  
hereby requests an exception to Rule 306 for \_\_\_\_\_  
\_\_\_\_\_ October \_\_\_\_\_, Yr 2008, for the following described tank battery (or LACT):

Name of Lease Flying M State Name of Pool Flying M San Andres

Location of Battery: Unit Letter I Section (7) Township 9S Range 33e

Number of wells producing into battery 1 30-025-35710

B. Based upon oil production of 15 barrels per day, the estimated \* volume  
of gas to be flared is to small amount to measure MCF; Value 0 per day.

C. Name and location of nearest gas gathering facility:

unknown

D. Distance \_\_\_\_\_ Estimated cost of connection \_\_\_\_\_

E. This exception is requested for the following reasons: The lease produces little or no gas.  
Unable to even measure any gas.

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 [Signature]

Printed Name  
& Title Crystal Martinez, Production Analyst

Date 10/20/07 Telephone No. (817) 231-8735

OIL CONSERVATION DIVISION

Approved Until 10/24/08

By [Signature]

Title OC FIELD REPRESENTATIVE II/STAFF MANAGER

Date OCT 24 2007

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