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 June 10, 2003

Submit 3 Copies to appropriate District Office

NFO Permit No. 2 - 1017

## **APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306**

|  | (See Rule 30   | 6 and Rule 1129)       | DECEMENT      |  |  |  |  |
|--|--|------------------------|---------------|--|--|--|--|
|  |  |                        | RECEIVED      |  |  |  |  |
| Α.   | Applicant Merit Energy Company   |                        | NOV -4 2009   |  |  |  |  |
|  | whose address is 13727 Noel Rd. Suite 500  | Dallas, Texas 75240    | NMOCD ARTĘSIA |  |  |  |  |
|  | hereby requests an exception to Rule 306 f   | or <u>3</u>            | days or until |  |  |  |  |
|  | November 06 , Yr 2009 , for the following described tank battery (or LACT):  |                        |               |  |  |  |  |
|  | Name of Lease Various Wells (List Attached) Name of Pool   |                        |               |  |  |  |  |
|  | Location of Battery: Unit Letter   | SectionTownship        | Range         |  |  |  |  |
|  | Number of wells producing into battery   |                        |               |  |  |  |  |
| В.   | Based upon oil production of 89 barrels per day, the estimated * volume  |                        |               |  |  |  |  |
|  | of gas to be flared is 293   | _MCF; Value            | per day.      |  |  |  |  |
| C.   | Name and location of nearest gas gathering facility:   |                        |               |  |  |  |  |
| D.   | DistanceEstimated cost of connection   |                        |               |  |  |  |  |
| E.   | This exception is requested for the following reasons:   |                        |               |  |  |  |  |
|  | Frontier Field Services, LLC's plant has shut-down for repairs and maintenance.  |                        |               |  |  |  |  |
|  |  |                        |               |  |  |  |  |
|  |  |                        |               |  |  |  |  |
|  |  |                        |               |  |  |  |  |
| OPERATOR   |  | OIL CONSERVATION DIVIS | ION           |  |  |  |  |
| Division have be   | hat the rules and regulations of the Oil Conservation en complied with and that the information given above lete to the best of my knowledge and belief. | Approved Until NOV 0 6 | 2009          |  |  |  |  |
| Signature  | year moon  | By Signed By Mile &    | KNANCE-       |  |  |  |  |
| Printed Name<br>& Title <u>Lynne Moon Regulatory Manager</u> |  | Title ENV. Space.      |               |  |  |  |  |
| E-mail Addres  | ss_lynne.moon@meritenergy.com  | Date NOV 0 4 2009      |               |  |  |  |  |
| Date 11/03/20  | 009 Telephone No. (972)628-1569  |                        |               |  |  |  |  |

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

| Shugart West 19 Federal #1  | 30-015-30149 | N-19-18S-31E      |  |
|-----------------------------|--------------|-------------------|--|
| Shugart West 19 Federal #2  | 30-015-30501 | O-19-18S-31E ≲W'D |  |
| Shugart West 30C Federal #1 | 30-015-30533 | G-30-18S-31E      |  |
| Shugart West 19 Federal #4  | 30-015-30647 | M-19-18S-31E      |  |
| Shugart West 19 Federal #3  | 30-015-30648 | K-19-18S-31E      |  |
| Shugart West 19 Federal #7  | 30-015-30686 | L-19-18S-31E      |  |
| Shugart West 19 Federal #5  | 30-015-30688 | F-19-18S-31E      |  |
| Shugart West 19 Federal #6  | 30-015-30689 | G-19-18S-31E      |  |
| Shugart West 19 Federal #8  | 30-015-30923 | B-19-18S-31E      |  |
| Shugart West 19 Federal #9  | 30-015-30924 | J-19-18S-31E      |  |
| Shugart West 19 Federal #10 | 30-015-30946 | I-19-18S-31E      |  |
| Shugart West 24 Federal #1  | 30-015-31340 | I-24-185-30E      |  |
| Shugart West 24J Federal #3 | 30-015-31581 | J-24-18S-30E      |  |
| Shugart West 24G Federal #2 | 30-015-31742 | J-24-18S-30E      |  |
| Shugart West 24A Federal #4 | 30-015-32115 | A-24-18S-30E      |  |

\* \*\*

October 19, 2009

## VIA FAX: (972) 960-1252

Merit Energy Company Contract Administration 13727 Noel Road Suite 500 Dallas, TX 75240

RE:

Maljamar Plant Maintenance Lea County, New Mexico November 3-5<sup>th</sup>, 2009

## To Whom It May Concern:

The Maljamar Gas Plant located in Lea County, New Mexico will be required to shutdown for repairs and maintenance. The dates for this shutdown are November 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup>, 2009. Please coordinate the shut-in of your delivery points during this time period with FFS Field Operations personnel listed below. Please provide us with a company contact, phone number and e-mail address to facilitate the shut-in and re-opening of the delivery points and any problems or concerns that might arise with the proposed timetable. I appreciate your cooperation in helping us maintain our facility so that we may continue to provide you with exceptional service.

If you have any questions, you may contact me at 918.388.8420.

Sincerely.

Jeff Hull

Vice President of Gas Supply

| Measurement: Ed McCasland Jerry Wright David Stevens Ed Kelsey Bobby Mallett | (O) 575.676.3503 | (C) 575.706.9671 | emccasland@frontierfieldservices.com |
|--|------------------|------------------|--------------------------------------|
|  | (O) 575.676.3512 | (C) 575.361.0154 | jwright@frontierfieldservices.com    |
|  | (O) 575.676.3514 | (C) 575.361.0348 | dstevens@frontierfieldservices.com   |
|  | (O) 575.676.3513 | (C) 575.361.0367 | ekelsey@frontierfieldservices.com    |
|  | (O) 575.676.3515 | (C) 575.361.0392 | bmallett@frontierfieldservices.com   |
| Pipeline: Joe Calderon Reyes Ruiz Robert Gomez James Torrez                  | (O) 575.676.3506 | (C) 575.361.0148 | jcalderon@frontierfieldservices.com  |
|  | (O) 575.676.3517 | (C) 575.361.0445 | rruiz@frontierfieldservices.com      |
|  | (O) 575.676.3516 | (C) 575.361.0373 | rgomez@frontierfieldservices.com     |
|  | (O) 575.676.3516 | (C) 575.200.5136 | jtorrez@frontierfieldservices.com    |
| Tulsa Operations: Chad Cagle Matt Franzen                                    | (O) 918.388.8442 | (C) 918.808.4863 | ccagle@frontierfieldservices.com     |
|  | (O) 918.388.8408 | (C) 918.237.9300 | mfranzen@frontierfieldservices.com   |