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.,

	APPLICATION FOR EXCEP		ULE 306			
	(See Rule 30	6 and Rule 1129)	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 for	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.					
	nat the rules and regulations of the Oil Conservation	OIL CONSERVATION DIVIS				
	en complied with and that the information given above ete to the best of my knowledge and belief.	Approved Until NOV 0 6	2009			
Signature 1000		By Signed By Mile &	KARTHER			
Printed Name & Title Lynne Moon Regulatory Manager		Title ENV. Span.				
E-mail Address lynne.moon@meritenergy.com		Date NOV 0 4 2009				
Date 11/03/20						

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	0-19-18S-31E ≲₩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-24-18S-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

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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 3-5th, 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 3rd, 4th and 5th, 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	(O) 575.676.3503 (O) 575.676.3512 (O) 575.676.3514 (O) 575.676.3513	(C) 575.706.9671 (C) 575.361.0154 (C) 575.361.0348 (C) 575.361.0367	emccasland@frontierfieldservices.com jwright@frontierfieldservices.com dstevens@frontierfieldservices.com ekelsey@frontierfieldservices.com
Bobby Mallett	(O) 575.676.3515	(C) 575.361.0392	bmallett@frontierfieldservices.com
Pipeline: Joe Calderon Reyes Ruiz Robert Gomez James Torrez	(O) 575.676.3506 (O) 575.676.3517 (O) 575.676.3516 (O) 575.676.3516	(C) 575.361.0148 (C) 575.361.0445 (C) 575.361.0373 (C) 575.200.5136	jcalderon@frontierfieldservices.com rruiz@frontierfieldservices.com rgomez@frontierfieldservices.com jtorrez@frontierfieldservices.com
Tulsa Operations:		: .	
Chad Cagle	(O) 918.388.8442	(C) 918.808.4863	ccagle@frontierfieldservices.com
Matt Franzen	(O) 918.388.8408	(C) 918.237.9300	mfranzen@frontierfieldservices.com