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. 7 - 9/8 0 (For Division Use Only)

## APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

(See Rule 306 and Rule 1129) API 30-025 - 26953 Applicant Dakota Resources Inc. A. whose address is 4912 N. Midkiff Midland, TX 79705 hereby requests an exception to Rule 306 for days or until \_\_January 1<sup>st</sup> \_\_\_\_\_, Yr \_2009\_, for the following described tank battery (or LACT): Name of Lease \_\_\_\_\_Warren\_\_\_\_\_Name of Pool \_\_\_\_\_Devonian\_\_\_\_ Location of Battery: Unit Letter H Section 8 Township 17S Range 37E Number of wells producing into battery \_\_\_\_1 Based upon oil production of \_\_\_\_8 \_\_\_\_barrels per day, the estimated \* volume B. of gas to be flared is .5 MCF; Value \$4 per day. C. Name and location of nearest gas gathering facility: GPM connection at the battery\_\_\_\_\_ Distance \_\_\_0 \_\_\_ Estimated cost of connection about \$20/day D. This exception is requested for the following reasons: E. Cas meter maintenance fee exceed gas revenue Received Hobbs **OPERATOR** OIL CONSERVATION DIVISION I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above Approved Until is true and complete to the best of my knowledge and belief. Printed Name MELD ALPRESENTATIVE WOTAFF MANAGEF & Title Rick Maddex Date \_\_\_\_\_\_NOV 0 2 2007 E-mail Address Date 10-31-07 Telephone No. 432/697-3420

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