

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. 2-970
(For Division Use Only)

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

(See Rule 306 and Rule 1129)

30-015-34936

- A. Applicant Lime Rock Resources
whose address is 1111 Bagby St Ste 4600 Houston, TX 77002
hereby requests an exception to Rule 306 for 10 days or until
Yr 2008, for the following described tank battery (or LACT):
Name of Lease Karlsbad Corral 2# 7 Name of Pool CORRAL CANYON
Location of Battery: Unit Letter K Section 2 Township 25S Range 29E
Number of wells producing into battery 8
- B. Based upon oil production of 25 barrels per day, the estimated * volume
of gas to be flared is 85 MCF; Value _____ per day.
- C. Name and location of nearest gas gathering facility:

- D. Distance _____ Estimated cost of connection _____
- E. This exception is requested for the following reasons: All gas pipelines
have been shut in due to hurricane
in Texas.

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 Michael Barnett

Printed Name

& Title Michael Barnett

Production
Supervisor

E-mail Address mbarnett@LimerockResources.com

Date 09-12-08 Telephone No. 575-623-8424

OIL CONSERVATION DIVISION

SEP 24 2008

Approved Until _____

By _____

Signed By Mike Brannon

Title _____

Date SEP 24 2008

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