

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III  
1000 Rio Brazos Rd, Aztec, NM 87410

Submit 3 Copies to  
Appropriate District Office

State of New Mexico  
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION  
2040 Pacheco St.  
Santa Fe, NM 87505

Form C-129  
Revised 4-1-91

NFO Permit No. I-871  
(For Division Use Only)

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306  
(See Rule 306 and Rule 1129)

- A. Applicant TMBR/Sharp Drilling, Inc.,  
whose address is P. O. Drawer 10970, Midland, TX 79702,  
hereby requests an exception to Rule 306 for \_\_\_\_\_ days or until  
\_\_\_\_\_, 19 \_\_\_\_\_, for the following described tank battery (or LACT):  
Name of Lease TMBR "11" State Name of Pool West Midway; Upper Penn  
Location of Battery: Unit Letter M Section 11 Township 17S Range 35E  
Number of wells producing into battery one
- B. Based upon oil production of 3 barrels per day, the estimated \* volume  
of gas to be flared is TSTM MCF; Value -- per day.
- C. Name and location of nearest gas gathering facility:  
Dynegy Midstream Services, L.P.
- D. Distance 1/4 mile Estimated cost of connection \$10,000.00
- E. This exception is requested for the following reasons: Non-economical to connect.

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 Lonnie Arnold

Date 3/22/01 Telephone No. (915) 699-5050

OIL CONSERVATION DIVISION

Approved Until 3-29-02

By ORIGINAL SIGNED BY CHRIS WILLIAMS  
DISTRICT I SUPERVISOR

Title \_\_\_\_\_

Date MAR 29 2001

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