

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

HOBBS OCD

JUL 05 2011

RECEIVED

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 October 15, 2009

Submit one copy to appropriate
District Office

NFO Permit No. I-9666-E
(For Division Use Only)

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 19.15.18.12

(See Rule 19.15.18.12 NMAC and Rule 19.15.7.37 NMAC)

A. Applicant Fasken Oil and Ranch, Ltd.

whose address is 303 W. Wall St, Suite 1800, Midland, Texas 79701

hereby requests an exception to Rule 19.15.18.12 for 365 days or until

July 31, Yr 2012, for the following described tank battery (or LACT):

Name of Lease Grande Name of Pool East Stallion-Devonian/Pool 96633

Location of Battery: Unit Letter M Section 3 Township 13S Range 38E

Number of wells producing into battery 1 (30-025-33502)

B. Based upon oil production of 15 barrels per day, the estimated * volume

of gas to be flared is 2 MCF; Value \$8.60 per day.

C. Name and location of nearest gas gathering facility:

Targa Midstream

D. Distance 1.5 Miles Estimated cost of connection \$79,200

E. This exception is requested for the following reasons:

Uneconomical to connect to Targa at current production rates and commodity prices.

Location is approx 5.04 mi east and 2.8 mi south of Gladiola NM. No structures within

1 mile radius of location.

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

Sheila Payne

Printed Name Sheila Payne

& Title Marketing and Production Acctg Manager

E-mail Address sheilap@forl.com

Date 7/01/2011

Telephone No. 432-687-1777

OIL CONSERVATION DIVISION

Approved Until: 12-28-2011

By

Title

Date

7-5-2011

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