District 1 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., 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 August 1, 2011

Submit one copy to appropriate District Office

HOBBS OCD

NFO Permit No.

(For Division Use Only)

APPLICATION FOR	EXC	EPTION	TO NO	-FLARE	RULE	19.15.18.12
(See Rul	e 19.15.1	18.12 NMAC	and Rule 19	.15.7.37 NM	AC)	

A.	Applicant <u>Fasken Oil and Ranch, Ltd.</u> DEC 0 § 2013					
	whose address is6101 Holiday Hill Road, Midland, Texas 79707-1631					
	hereby requests an exception to Rule 19.15.18.12 for <u>212</u> days or until					
	June 30, 2014_, for the following described tank battery (or LACT):					
	Name of Lease <u>Grande</u> Name of Pool <u>East Stallion-Devonian/Pool 96633</u>					
	Location of Battery: Unit Letter <u>M</u> Section <u>3</u> Township <u>13S</u> Range <u>38E</u> (Lea Co NM)					
	Number of wells producing into battery One (API #30-025-33502)					
B.	Based upon oil production of <u>14</u> barrels per day, the estimated * volume					
	of gas to be flared isMCF; Value\$7.28 (@ \$3.64/mef: 12/2013 IF FOM EP-PB)per day.					
C.	Name and location of nearest gas gathering facility:					
	Targa Midstream					
D.	Distance <u>1.5 Miles</u> Estimated cost of connection <u>\$95,000</u>					
E.	This exception is requested for the following reasons:					
	It is uneconomical to connect the well to Targa at the current production rate and commodity prices.					
	_The location is approx. 5.04 mi east and 2.8 mi south of Gladiola NM. No structures within					
	<u>1 mile radius of location. (Payout= 35+ yrs)</u> No changes in pipelines options since last filing.					
RATOR	OIL CONSERVATION DIVISION					

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 12/31/2014
is true and complete to the best of my knowledge and belief.	and i Aill I
Signature <u>SUIAAA</u>	ByMailey) Shown
Printed Name <u>Sheila Payne</u> & Title Marketing and Production Acctg Manager	Title COMPLIANCE OFFICER
E-mail Addresssheilap@forl.com	Date 12/10/2013
Date <u>12/2/2013</u> Telephone No. <u>432-687-1777</u>	·

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