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

NFO Permit No.

(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)

HOBBS OCD Applicant Fasken Oil and Ranch, Ltd. A. AUG 0 6 2015 whose address is 6101 Holiday Hill Road, Midland, Texas 79707-1631 RECEIVED hereby requests an exception to Rule 19.15.18.12 for ______ 90 days or until <u>11/31/2015</u>, 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> <u>Range</u> <u>38E</u> Number of wells producing into battery One (API #30-025-33502) Β. Based upon oil production of ______barrels per day, the estimated * volume of gas to be flared is <u>1.8</u> MCF; Value <u>\$4.91 (@ \$2.73/mcf: 8/2015 IF FOM EP-PB)</u> per day. С. Name and location of nearest gas gathering facility: Targa Midstream Distance <u>1.5 Miles</u> Estimated cost of connection <u>\$95,000</u> D. 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 1 mile radius of location. (Payout=53+ years) No changes in pipeline options since last filing. OIL CONSERVATION DIVISION **OPERATOR** 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. Signature 🖉 By Printed Name Sherard Bryant Baeza Title & Title New Mexico Production Analyst Date E-mail Address bryantb@forl.com

Date <u>08/03/2015</u> Telephone No.<u>432-687-1777</u>

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

AUG 1 1 2015