

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

RECEIVED  
Conservation Division  
200 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. I-966-B  
(For Division Use Only)

SEP - 3 2008

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

(See Rule 306 and Rule 1129)

A. Applicant Fasken Oil and Ranch, LTD,  
whose address is 303 W Wall, Suite 1800 Midland, TX 79701-5116,

hereby requests an exception to Rule 306 for 365 days or until  
July 31, 2009, 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 T-13S R-38E

Number of wells producing into battery One <30-025-33502>

B. Based upon oil production of 21 barrels per day, the estimated \* volume  
of gas to be flared is 3 Mcfpd; Value \$33.51 per day.

C. Name and location of nearest gas gathering facility: Targa Midstream

D. Distance one and one half miles Estimated cost of connection \$123,800

E. This exception is requested for the following reasons: At the current production rate  
would not be economical.

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  
Sheila Payne

Title: Marketing / Production Manager

E-mail Address: sheilap@forl.com

Date: 08/29/08 Telephone No. 432-687-1777

OIL CONSERVATION DIVISION

Approved Until 7/31/09

By [Signature]

Title PETROLEUM ENGINEER

Date SEP 05 2008

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