

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

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

JUL 15 2009 Form C-129
Revised June 10, 2003

Submit 3 Copies to appropriate
District Office

NFO Permit No.

I-966-C
(For Division Use Only)

2009 JUL 13 PM 1 24

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

(See Rule 306 and Rule 1129)

RECEIVED

JUL 16 2009

HOBBSOCD

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

Month **July** day **31**, Year **2010**, 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**

<3D-025-3350>

B. Based upon oil production of **19** barrels per day, the estimated * volume

of gas to be flared is **3** MCF; Value **\$9.00** 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, connection costs**

is uneconomical.

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/Prod Accting Manager

E-mail

sheilap@forl.com

Date

7/8/2009

Telephone No. 432 687-1777

OIL CONSERVATION DIVISION

Approved Until **9-2-2010**

By

Campbell

Title

DISTRICT 1 SUPERVISOR

SEP 03 2009

Date

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