

DISTRICT I
1625 N. French Drive, Hobbs, NM 88240
DISTRICT II
1301 W. Grand Ave., Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-129
Revised 4-1-91

Submit 3 Copies to
Appropriate District Office

RECEIVED
JAN 20 2011
HOBBSDO

OIL CONSERVATION DIVISION

1220 South St. Francis Drive
Santa Fe, NM 87505

NFO Permit No. I-925-E
(For Division Use Only)

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306
(See Rule 306 and Rule 1129)

- A. Applicant Mack Energy Corporation,
whose address is P.O. Box 960, Artesia, NM 88211-0960,
hereby requests an exception to Rule 306 for 365 days or until
20, for the following described tank battery (or LACT):
Name of Lease Matador 19 State Name of Pool Grayburg Jackson
7RVS-QN-GB-SA
Location of Battery: Unit Letter L Section 19 Township 16 Range 32
Number of wells producing into battery 6
- B. Based upon oil production of 17 barrels per day, the estimated * volume
of gas to be flared is TSTM MCF; Value per day.
- C. Name of location of nearest gas gathering facility:
Frontier Maljamar Gas Plant
- D. Distance Estimated cost of connection There is no charge to connect to our gas
- E. This exception is requested for the following reasons: The gas from this lease is too small to
measure.

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 Sylvia A. Herron

Printed Name & Title Sylvia A. Herron Production Clerk

Date 1/20/2011 Telephone No. (575)748-1288

OIL CONSERVATION DIVISION

Approved Until JAN. 20, 2012

By Tamy M. Hill

Title DISTRICT 1 SUPERVISOR

Date JAN 20 2011

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

Matador 19 State #1 - API# 30-025-31220

#2 - API# 30-025-36692

#3 - API# 30-025-36839

#4 - API# 30-025-36840

#5 - API# 30-025-36838

#6 - API# 30-025-36921