

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

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

HOBBSOCD

OIL CONSERVATION DIVISION

1220 South St. Francis Drive
Santa Fe, NM 87505

NFO Permit No.

I-997
(For Division Use Only)

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

API# 30-025-38172

- 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 Duck Federal Name of Pool Maljamar; Grayburg-San Andres
Location of Battery: Unit Letter N Section 5 Township 17S Range 32E
Number of wells producing into battery 1
- B. Based upon oil production of 19 barrels per day, the estimated * volume
of gas to be flared is 10 MCF; Value per day.
- C. Name of location of nearest gas gathering facility:
Frontier
- D. Distance on location Estimated cost of connection blocked in by Frontier
- E. This exception is requested for the following reasons: Frontier blocked this gas due to low volume
and 1% H2S.

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 Jerry W. Sherrell

Printed Name & Title Jerry W. Sherrell Production Clerk

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

OIL CONSERVATION DIVISION

Approved Until July 20, 2012

By Jerry W. Sherrell

Title DISTRICT 1 SUPERVISOR

Date JAN 20 2011

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