

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

Form C-129
Revised October 15, 2009

RECEIVED

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

JUL 22 2010

Submit one copy to appropriate
District Office

JUL 27 2010

FASKEN OIL AND
RANCH, LTD.

NFO Permit

I-9666-D
(For Division Use Only)

HOBBSOCD

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)

A. Applicant Fasken Oil and Ranch, Ltd.

whose address is 303 W. Wall St, Suite 1800, Midland, Texas 79701

hereby requests an exception to Rule 19.15.18.12 for 365 days or until

July 31, Yr 2011, 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 Township 13S Range 38E

Number of wells producing into battery 1 30-025-33502

B. Based upon oil production of 16 barrels per day, the estimated * volume

of gas to be flared is 3 MCF; Value \$13.50 per day.

C. Name and location of nearest gas gathering facility:

Targa Midstream

D. Distance 1.5 Miles Estimated cost of connection \$123,800

E. This exception is requested for the following reasons:

Uneconomical at current production rates and commodity prices.

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

Printed Name Sheila Payne

& Title Marketing and Production Acctg Manager

E-mail Address sheilap@forl.com

Date 7/14/2010

Telephone No. 432-687-1777

OIL CONSERVATION DIVISION

Approved Until

8-5-2011

By

[Signature]

Title

STAFF MGR

Date

7-27-10

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