

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87504

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87504

Form C-129  
Revised March 17, 1999

Submit 3 Copies to appropriate  
District Office

NFO Permit No. I-903  
(For Division Use Only)

**APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306**

(See Rule 306 and Rule 1129)

- A. Applicant TMBR/Sharp Drilling, Inc.,  
whose address is P. O. Drawer 10970, Midland, TX 79702,  
hereby requests an exception to Rule 306 for \_\_\_\_\_ days or until  
January, Yr 2003, for the following described tank battery (or LACT):  
Name of Lease TMBR "10" State Name of Pool East Saunders Permo-Pennsylvanian  
Location of Battery: Unit Letter L Section 10 Township 14S Range 34E  
Number of wells producing into battery One
- B. Based upon oil production of 3 barrels per day, the estimated \* volume  
of gas to be flared is 1 MCF; Value \$2.30 per day.
- C. Name and location of nearest gas gathering facility:  
J. L. Davis
- D. Distance 1800' Estimated cost of connection \$15,000
- E. This exception is requested for the following reasons: Uneconomic to connect

**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 [Signature]

Printed Name  
& Title Lonnie Arnold, Production Manager

Date 3/8/02 Telephone No. 915-699-5050

**OIL CONSERVATION DIVISION**

Approved Until 3/11/03

By [Signature]  
Title PETROLEUM ENGINEER

Date DEC 10 2002

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