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
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources

Oil Conservation Division 2040 South Pacheco Santa Fe, NM 87505 Form C-129 Revised March 17, 1999

Submit 3 Copies to appropriate District Office

NFO Permit No.

(For Division Use Only)

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

(See Rule 306 and Rule 1129) Applicant Fasken Oil and Ranch, Ltd. Α. whose address is 303 W. Wall, Suite 1800, Midland, TX 79701-5116 hereby requests an exception to Rule 306 for ______days or until August 15, Yr 2000, for the following described tank battery (or LACT): Name of Lease Warren Name of Pool Midway (Devonian) Location of Battery: Unit Letter ____ B ___ Section ____ 8 __ Township _ 17S __ Range _ 37E Number of wells producing into battery _____1 Based upon oil production of ______barrels per day, the estimated * volume B. of gas to be flared is 1.6 MCF; Value \$1.60 C. Name and location of nearest gas gathering facility: GPM connection at the battery D. Distance _____ Estimated cost of connection About \$8/day E. This exception is requested for the following reasons: Gas meter maintenance fee exceeds gas revenue. **OPERATOR** OIL CONSERVATION DIVISION I hereby certify that the rules and regulations of the Oil Conservation Approved Until 8-15-2000 Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. ORIGINAL SIGNED BY Signature Call Brown **GARY WINK** By FIELD REP. II **Printed Name** Title ____ & Title Carl Brown, Petroleum Engineer Date JUL 2 9 1999 Date 7/23/99 Telephone No. (915) 687-1777

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