

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Conservation Division
1625 N. French Dr.
Hobbs, NM 88240

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. NM0889
2. Name of Operator MARALO, LLC	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. P. O. BOX 832, MIDLAND, TX 79702 (915) 684-7441	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 330' FNL & 330' FNL, SECTION 6, T26S, R38E UL. D	8. Well Name and No. M. D. SELF #5
	9. API Well No. 30-025-12449
	10. Field and Pool, or Exploratory Area JUSTIS; BLINEBRY-TUBB-DRINKARD
	11. County or Parish, State LEA, NEW MEXICO

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other GAS VENTING APPROVAL
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

MARALO, LLC HAS RECEIVED APPROVAL TO VENT GAS ON THE M. D. SELF LEASE WELLS FROM THE OIL CONSERVATION DIVISION. FORM C-129, APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306 (NFO PERMIT NO. I-867) WAS APPROVED FOR THE M. D. LEASE FROM APRIL 11, 2000 TO APRIL 11, 2001 (SEE ATTACHED). THE M. D. SELF BATTERY IS LOCATED AT THE WELL #3, UNIT LETTER D, 467' FNL & 467' FWL, SECTION 6, TOWNSHIP 26 SOUTH, RANGE 38 EAST, IN LEA COUNTY, NEW MEXICO.

THE EXCEPTION WAS GRANTED DUE TO AN ECONOMIC FEASIBILITY STUDY TO REPAIR OR RETIRE THE EXISTING PIPELINE WHICH IS BEING CONDUCTED BY SID RICHARDSON GASOLINE COMPANY, THE SOLE SOURCE PIPELINE OWNER. THERE IS NO OTHER ALTERNATE TRANSPORTATION SOURCE IMMEDIATELY AVAILABLE. NEGOTIATIONS WITH OTHER PURCHASERS ARE UNDERWAY. ALL AVENUES TO CONTINUE GAS SALES FROM THIS LEASE ARE BEING SOUGHT AS SOON AS POSSIBLE.

**SUBJECT TO
LINE APPROVAL
BY STATE**

14. I hereby certify that the foregoing is true and correct

Signed <u><i>Dorothea Logan</i></u> DOROTHEA LOGAN	Title REGULATORY ANALYST	Date APRIL 14, 2000
(This space for Federal or State office use) Approved by <u>(ORIG. SGD.) DAVID F. GLASS</u>	Title PETROLEUM ENGINEER	Date APR 17 2000

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

GW

APR 17 2000
BLM
ROSWELL, NM

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 Resource
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. I-867
(For Division Use Only)

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

A. Applicant MARALO, LLC
whose address is P. O. BOX 832, MIDLAND, TX 79702

hereby requests an exception to Rule 306 for UNLIMITED days or until
-, Yr -, for the following described tank battery (or LACT):

Name of Lease M. D. SELF Name of Pool 34220 JUSTIS; BLINEBRY-TUBB-DRINKARD

Location of Battery: Unit Letter D Section 6 Township 26 Range 38

Number of wells producing into battery 2 (#5 & #6)

B. Based upon oil production of 8 barrels per day, the estimated * volume
VENTED
of gas to be flared is 20 MCF; Value 40.00 per day.

C. Name and location of nearest gas gathering facility:
NONE AVAILABLE

D. Distance - Estimated cost of connection -

E. This exception is requested for the following reasons: GAS PURCHASER SID RICHARDSON IS REVIEWING THE ECONOMIC FEASIBILITY TO REPAIR THE EXISTING
SOLE SOURCE PIPELINE. THERE IS NO ALTERNATE SOURCE CURRENTLY AVAILABLE.

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 Dorothea Logan
Printed Name & Title DOROTHEA LOGAN, REGULATORY ANALYST
Date APRIL 6, 2000 Telephone No. (915) 684-7441

OIL CONSERVATION DIVISION
Approved Until 4-11-01
By _____
Title ORIGINAL SIGNED BY CHRIS WILLIAMS
DISTRICT I SUPERVISOR
Date APR 11 2000

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

RECEIVED
APR 17 2000
BLM
BUREAU OF LAND MANAGEMENT
U.S. DEPARTMENT OF THE INTERIOR