Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

N.M. Oil Con- Division 1625 N. Frenc., Dr. Hobbs, NW 38240

FORM APPROVED

. 0.0.1 111 110 100	35			
Budget Bureau No. 1004-0135				
Expires: March 31, 1993				

	_	res: M			
Lease	Desi	gnation	and	Serial	No.

	NM0889
AND REPORTS ON WELLS rill or to deepen or reentry to a different reservoir. R PERMIT—" for such proposals	6. If Indian, Allottee or Tribe Name
T IN TRIPLICATE	7. If Unit or CA, Agreement Designation
(915) 684-7441 Description) S, R38E	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-DRINKA 11. County or Parish, State LEA, NEW MEXICO
(s) TO INDICATE NATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF ACTION	
Abandonment Recompletion Plugging Back Casing Repair Altering Casing Other GAS VENTING APPROVAL	Change of Plans New Construction Non-Routine Fracturing Water Shut-Off Conversion to Injection Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)
	(915) 684-7441 Description) S, R38E (S) TO INDICATE NATURE OF NOTICE, REPORT TYPE OF ACTION Abandonment Recompletion Plugging Back Casing Repair Altering Casing

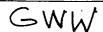
MARALO, LLC HAS RECEIVED APPROVAL TO VENT GAS ON THE M. D. SELF LEASE WELLS FROM THE OIL CONSERVATION DIVISION. FORM C-129, APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306 (NFO PERMIT NO. I-867) WAS APPROVED FOR THE M. D. LEASE FROM APRIL 11, 2000 TO APRIL 11, 2001 (SEE ATTACHED). THE M. D. SELF BATTERY 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.



I hereby certify that the foregoing is true and correct Signed Stattle Sager DOROTHEA LOGAN	Title _	REGULATORY ANALYST	Date	APRIL 14, 2000
(This space for Federal or State office use) Approved by OFIG. SGD.) DAVID F. GLASS Conditions of approval, if any:		PETROLEUM ENGINEER	Date	APR 17 2000
Considers of approval, it 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 or representations as to any matter within its jurisdiction.



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. For Division Use Only)

DISTRICT I SUPERVISOR

APR 1 1 2300

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

(See Rule 306 and Rule 1129) Applicant _____ MARALO, LLC A. whose address is _____P. 0. 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): 34220 Name of Lease M. D. SELF Name of Pool 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) Based upon oil production of _______ 8 _____barrels per day, the estimated * volume B. of gas to be flared is ______ MCF; Value ______ per day. Name and location of nearest gas gathering facility: C. NONE AVAILABLE Distance _____Estimated cost of connection ____ D. This exception is requested for the following reasons: E. GAS PURCHASER SID RICHARDSON IS REVIEWING THE ECONOMIC FEASIBILITY TO REPAIR THE EXISTING SOLE SOURCE PIPELINE. THERE IS NO ALTERNATE SOURCE CURRENTLY AVAILABLE. OIL CONSERVATION DIVISION **OPERATOR** I hereby certify that the rules and regulations of the Oil Conservation Approved Until ___ H-//_ O Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Worlhest) Signature ____ Title __ORIGINAL SIGNED BY CHRIS WILLIAMS Printed Name

Date _

Date APRIL 6, 2000 Telephone No. (915) 684-7441

& Title

DOROTHEA LOGAN, REGULATORY ANALYST

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

