LW MEXICO OIL CONSERVATION COMM. SION

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306 RECEIVED BY NFO Permit No. 2.726 OCT 101985 (Commission Use Only) O. C. D. ARTESIA, OFFICE Anadarko Petroleum Corporation Α. Applicant, ____ whose address is _____ P. O. Drawer 130, Artesia, New Mexico 88210 hereby requests an exception to Rule 306 for _____ 2 months _____ days or until Name of Lease _____ Osage _____ Name of Pool N. Dagger Draw Upper Penn. Location of Battery: Unit Letter <u>G</u>Section <u>21</u> Township <u>195</u> Range <u>25E</u> Number of wells producing into battery _____1 Based upon oil production of ______50 ____barrels per day, the estimated (*) volume Β. of gas to be flared is ______ 300 MCF; Value _____\$690 _____ per day. Name and location of the nearest gas gathering facility: С. Distance ______ Estimated cost of connection _____ D. E. This exception is requested for the following reasons: Request permission to produce this oil well and to flare the associated braidenhead gas for two (2) days per month (24 hrs/day). Actual days involved would be the last two days in October and the first two days in November, 1985. Anadarko has signed a gas sales contract with Gas Co. of N.M. and they are expected to instal sales outlet during October or November 1985. We will sell all our gas at the first opportunity and discontinue flaring gas at that time. The purpose of operating this well 2 days per month is two fold: (1) need to produce the wel to perpetuate the lease and (2) maintain constant operations (once the well is activated) for a full four day period. Continuous (as opposed to daylight only) operation is desired because each time this well is re-activated (following a S.I. period) a "gas bubble" must be circulated off bottom. This bubble requires 3 - 4 man hours to achieve stable pumping conditions. I hereby certify that the rules and regulations of the Oil Approved Until 12/10/85 Conservation . Commission have been complied with and that the information given above is true and complete to the best of my knowledge and belief. New Mexico Oil Conservation Commission Mike Williams blog Bv (Signature) OIL AND GAS INSPECTOR Area Supervisor Title____ (Title) OCT 11 1985 October 9, 1985 Date_____ (Date)

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