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OP

JUL 19 '88

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

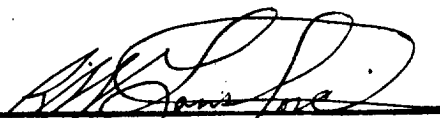
O. C. D.  
ARTESIA, OFFICE

NFO Permit No. 2-796  
(For Division Use Only)

- A. Applicant, LANEXCO, INC,  
whose address is P.O. BOX 1206 Jal. New Mexico 88252,  
hereby requests an exception to Rule 306 for 90 days or until  
                    , 19       , for the following described tank battery (or LACT):  
Name of Lease CERRO COM Name of Pool WILDCAT BONESPRINGS  
Location of Battery: Unit Letter E Section 11 Township 23-S Range 27-E  
Number of wells producing into battery 1  
B. Based upon oil production of 48 barrels per day, the estimated volume  
of gas to be flared is 38 MCF; Value 2 per day.  
C. Name and location of the nearest gas gathering facility:  
On this location U-E, S-11, T-23-S, R-27-E  
D. Distance --- Estimated cost of connection \$3757.69

E. This exception is requested for the following reasons: This well was made into a dual producer. We have a gas contract for the Wolfcamp zone, and are currently negotiating a contract for this zone. With the depressed gas market, we have been unable to obtain a contract.

- F. 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)  
Executive Vice President  
(Title)  
7/15/88  
(Date)

<u>Gas Must Be Flared</u>	
Approved Until	<u>10/21/88</u>
NEW MEXICO OIL CONSERVATION DIVISION	
By	Original Signed By <u>Mike Williams</u>
Title	<u>                    </u>
Date	<u>JUL 22 1988</u>