

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

NFO Permit No.

8-A

(For Division Use Only)

A. Applicant, Pennzoil Exploration and Production Company

whose address is P.O. Box 2967, Houston, Texas 77252

hereby requests an exception to Rule 306 for 90 30 days or until

25 DEC

19 89

for the following described tank battery (or LACT):

Name of Lease VAN BREMMER CANYON
3019-322 D Name of Pool WILDCAT

Location of Battery: Unit Letter D Section 32 Township 30N Range 19E

Number of wells producing into battery 1

B. Based upon oil production of N/A barrels per day, the estimated * volume

of gas to be flared is 0 to 150 MCF; Value N/P per day.

C. Name and location of the nearest gas gathering facility:

Trinidad, Colorado

D. Distance 70 miles Estimated cost of connection \$9,500,000.00 for development project

E. This exception is requested for the following reasons:

Test the potential for production of coal methane from coal beds in the Raton and Vermejo formations.

THIS WELL HAS NOT STABILIZED AND REQUIRES ADDITIONAL TESTING

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.

L. D. Williamson

(Signature)

Superintendent of District Operations

(Title)

11/15/89

(Date)

Approved Until 2-25-1990

NEW MEXICO OIL CONSERVATION DIVISION

By

Title

Date

R. E. Johnson
DISTRICT SUPERVISOR

11-17-89

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