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STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

Form C-129 Revised 10-1-78

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

NFO Permit No. _

			(ror Division use Unity)
Α.	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	days or until
	Name of Lease 3019-3220 Name of Pool WILDCAT		
	Location of Battery: Unit Letter		
	Number of wells producing into battery1		
В.	Based upon oil production ofN/Abar	rels per day, the estimate	d * volume
	of gas to be flared is 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 conne	stion \$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.		
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F.	I hereby certify that the rules and regulations of the Oil Conservation Division have been compiled with and that the information given above is true and complete to the best of my knowledge and belief.	Approved Until <u>No</u>	0 25, 1989
	Superintendent of District Operations (Title) 8-28-89 (Date)	NEW MEXICO OIL CO	SUPERVISOR

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