

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. IV - 9 (For Division Use Only) Applicant, Pennzoil Exploration and Production Company whose address is P.O. Box 2967, Houston, Texas 77252 90 _____days or until hereby requests an exception to Rule 306 for _____ _, 19____, for the following described tank battery (or LACT): VAN BRIEMMER CANYON Name of Lease 2919 -04/10 Name of Pool N/LOCAT Location of Battery: Unit Letter D Section 04 Township 29N Range 19E Number of wells producing into battery _____1 Based upon oil production of ______barrels per day, the estimated * В. of gas to be flared is 0 to 150 MCF; Value N/P _per day. Name and location of the nearest gas gathering facility: Trinidad, Colorado Distance 70 miles Estimated cost of connection \$9,500,000.00 for development project 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. I hereby certify that the rules and regulations of the Oil Approved Until Nov. 25 1989 Conservation Division have been compiled with and that the information given above is true and complete to the best of my knowledge and belief. OIL CONSERVATION DIVISION SUPERVISOR Superintendent of District Operations

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