

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-129  
Revised June 10, 2003

Submit 3 Copies to appropriate  
District Office

NFO Permit No. 2-952  
(For Division Use Only)

**APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306**

(See Rule 306 and Rule 1129)

30-015-35443

DEC 19 2007

OCD-ARTESIA

A. Applicant Southwestern Energy Production Company,

whose address is 2350 N. Sam Houston Parkway, East, Houston, Texas 77032,

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

\_\_\_\_\_, Yr \_\_\_\_\_, for the following described tank battery (or LACT):

Name of Lease Pickett Draw 16 State Name of Pool West Corral Canyon Delaware

Location of Battery: Unit Letter H Section 16 Township 25S Range 29E

Number of wells producing into battery two (2)

B. Based upon oil production of 180 barrels per day, the estimated \* volume  
of gas to be flared is 160 MCF; Value 880.00 per day.

C. Name and location of nearest gas gathering facility:

Karlsbad Corral Compressor Station; Section 10, T25S, R29E

D. Distance 1.2 miles Estimated cost of connection \$38,000.00

E. This exception is requested for the following reasons: In the middle of cultural resource study and ROW  
application with the BLM on sections 10 & 15.

**OPERATOR**

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 Martha C. Howard

Printed Name  
& Title Martha C. Howard Staff Reg. Analyst

E-mail Address Martha\_Howard@SWN.com

Date \_\_\_\_\_ Telephone No. 281-618-4887

**OIL CONSERVATION DIVISION**

Approved Until MARCH 19 2008

By \_\_\_\_\_ Signed By Mike Brennan

Title Field Supervisor

Date DEC 28 2007

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



**Southwestern Energy  
Production Company**

A subsidiary of Southwestern Energy Company

2350 N. Sam Houston Parkway East  
Suite 125  
Houston, Texas 77032  
(281) 618-4700 FAX: (281) 618-4739

VIA FEDERAL EXPRESS OVERNIGHT

December 18, 2007

DEC 19 2007  
OCD-ARTESIA

Mike Bratcher  
State of New Mexico  
Energy, Minerals and Natural Resources  
Oil Conservation Division  
1301 W. Grand Avenue  
Artesia, NM 88210

Dear Mike:

SUBJECT: SOUTHWESTERN ENERGY PRODUCTION COMPANY –  
PICKETT DRAW STATE 16, WELL NO. 1H  
API NO. 30-015-35443  
STATE LS NO. VB10650000  
SEC. 16-T25S, R29E  
EDDY COUNTY, NEW MEXICO

Southwestern is requesting an exception to the No-Flare Rule as stated in Rule 306. Sent herein is an original Form C-129 with two copies. The second well to produce into this battery will be the Pickett Draw State 16, Well No. 2H. Should you have questions or need any additional information please reach me direct through 281-618-4887, fax 281-618-4758 or Martha\_Howard@SWN.com.

Respectfully,

SOUTHWESTERN ENERGY PRODUCTION COMPANY

Martha C. Howard  
Staff Regulatory Analyst

MCH

Enclosures