

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
220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-129
Revised June 10, 2003

Submit 3 Copies to appropriate
District Office

APR 1 2008
OCD-ARTESIA

NFO Permit No. 2-957
(For Division Use Only)

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

(See Rule 306 and Rule 1129)

30-015-35726

- A. Applicant COG Operating LLC,
whose address is 550 W Texas Avenue, Suite 1300, Midland, TX 79701,
hereby requests an exception to Rule 306 for _____ days or until
April, Yr 2009, for the following described tank battery (or LACT):
Name of Lease Dasher 16 State #1 Name of Pool Henshaw; Queen-Grayburg-SA (Oil 30620)
Location of Battery: Unit Letter P Section 16 Township 16S Range 30E
Number of wells producing into battery 1
- B. Based upon oil production of 14 barrels per day, the estimated * volume
of gas to be flared is 10 MCF; Value _____ per day.
- C. Name and location of nearest gas gathering facility:
DCP Midstream
- D. Distance 200' Estimated cost of connection \$10,000.00
- E. This exception is requested for the following reasons: _____
It is not economical, gas volume is too small for the pipeline company to justify hook up.

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 K. Carrillo

Printed Name
& Title Kanicia Carrillo, Regulatory Analyst

E-mail Address kcarrillo@conchoresources.com

Date 04/10/08 Telephone No. 432-685-4332

OIL CONSERVATION DIVISION

Approved Until April 1 2009

By _____ Signed By Mike Beaman

Title Field Supervisor

Date APR 25 2008

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