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OIL CON. DIV.
DIST. 3

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NFO Permit No. _____
(For Division Use Only)

A. Applicant, Amoco Production Company

whose address is 2325 East 30th, Farmington NM 87401

hereby requests an exception to Rule 306 for 6 months days or until

_____, 19____, for the following described tank battery (or LACT):

Name of Lease Badland Flats Federal #1 Name of Pool Undesignated Gallup

Location of Battery: Unit Letter E Section 3 Township 23 N Range 1 W

Number of wells producing into battery One

B. Based upon oil production of 277 barrels per day, the estimated volume of gas to be flared is 20 MCF; Value \$30.00 per day.

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

Amoco well Southern Union Federal Com #1, Sec 36 T24N R1W

D. Distance 3 1/2 miles Estimated cost of connection \$185,000.00

E. This exception is requested for the following reasons:

Subject well produces less than 30 mcf per day. It does not meet with gas sales contract criteria and it would not be economically feasible to construct a sales pipeline.

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.

Buddy Shaw by Mollie Davids
(Signature)
Adm Supervisor
(Title)
12-19-88
(Date)

Approved Until

JUL 11 1989

NEW MEXICO OIL CONSERVATION DIVISION

By

APPROVED

Title

Date

JAN 12 1989

James E. Edwards
AREA MANAGER