

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088
SANTA FE, NEW MEXICO 87501Form C-129
Revised 10-1-78OIL CONSERVATION DIVISION
RECEIVED

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

NFO Permit No.

17-A

(For Division Use Only)

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 until90, 1990, for the following described tank battery (or LACT):Name of Lease VALDEZ CANYON Name of Pool WILDCATLocation of Battery: Unit Letter C Section 07 Township 29N Range 19ENumber of wells producing into battery 1B. Based upon oil production of N/A barrels per day, the estimated * volumeof gas to be flared is 0 to 150 MCF; Value N/P per day.

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

Trinidad, ColoradoD. Distance 70 miles Estimated cost of connection \$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.CONTINUE TESTINGF. 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.J. D. McWilliams
(Signature)
Superintendent of District Operations
(Title)
2 JAN 1990
(Date)

Approved Until

April 5, 1990

NEW MEXICO OIL CONSERVATION DIVISION

By

R. E. [Signature]

Title

Date

1-8-90

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