

## DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

## DISTRICT II

P.O. Drawer DD, Artesia, NM 88211-0719

## DISTRICT III

1000 Rio Brazos Rd, Aztec, NM 87410

Submit 3 Copies to

Appropriate District Office

State of New Mexico

Energy, Minerals and Natural Resources Department

## OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-129

Revised 4-1-91

RECEIVED  
MAY 26 2006  
JULIANTECOM

NFO Permit No.

2-948

(For Division Use Only)

## APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

(See Rule 306 and Rule 1129)

A. Applicant **YATES PETROLEUM CORPORATION**whose address is 105 S. Fourth Street Artesia, NM 88210hereby requests an exception to Rule 306 for 365 days or untilthe well is connected to pipeline, 20 for the following described tank battery (or LACT):Name of Lease Boffin State Unit #1 Name of Pool Foor Ranch Pre-PermianLocation of Battery: Unit Letter J Section 16 Township 9S Range 27ENumber of wells producing into battery One

B. Based upon oil production of 20 barrels per day, the estimated \* volume  
of gas to be flared is 5 MCF; Value per day.

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

Agave Energy CompanyD. Distance 8 miles Estimated cost of connection E. This exception is requested for the following reasons: The gas will be sold upon completion of the pipeline.

1<sup>st</sup> Exception 2-7-05  
2<sup>nd</sup> " 7-7-05

## 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 Tina HuertaPrinted Name & Title Tina Huerta - Regulatory Compliance SupervisorDate May 24, 2006 Telephone No. 505-748-4168

## OIL CONSERVATION DIVISION

Approved Until

5-24-07

By [Signature]

Title

Field Supervisor

Date

JUN 09 2006

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