

## NEW MEXICO OIL CONSERVATION COMMISSION

Form C-129

9-1-72

C/SF

Oper.

## APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

SEP 20 1986

O. C. D.  
ARTESIA OFFICE

NFO Permit No. 2-757

(Commission Use Only)

- A. Applicant, Hanson Operating Company, Inc.,  
whose address is P. O. Box 1515, Roswell, New Mexico 88202-1515,  
hereby requests an exception to Rule 306 for indefinite number of days or until  
                    , 19           , for the following described tank battery (or LACT):  
Name of Lease Hanlad State #3 Name of Pool Und Diablo San Andres  
Location of Battery: Unit Letter L Section 27 Township 10S Range 27E  
Number of wells producing into battery 2 (two)
- B. Based upon oil production of 50 barrels per day, the estimated (\*) volume  
of gas to be flared is 20 MCF; Value Approx. \$8.00 per day.
- C. Name and location of the nearest gas gathering facility:  
Liquid Energy, Sec.12,T.10S,R.28E, Chaves County, New Mexico
- D. Distance 4 1/2 miles Estimated cost of connection \$25,000.00
- E. This exception is requested for the following reasons:  
  
Until additional reserves are discovered by drilling more wells, we  
feel that it is not economically feasible to lay this gas line until  
further production is obtained. Also, at this time, Hanson Operating  
has been informed that the gas plant is shut down.

- F. I hereby certify that the rules and regulations of the Oil  
Conservation Commission have been complied with and  
that the information given above is true and complete to  
the best of my knowledge and belief.

Brenda R. Godfrey  
(Signature)  
Production Analyst  
(Title)  
09/26/86  
(Date)

Approved Until Further Notice

New Mexico Oil Conservation Commission

By Mark WilliamsTitle OIL AND GAS INSPECTORDate OCT 03 1986