

C/SF
Oper.

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

MAY 12 1987

O. C. D.
ARTESIA OFFICE

NFO Permit No. 2-778
(For Division Use Only)

- A. Applicant, Santa Fe Energy Operating Partners, L.P.,
whose address is 500 W. Illinois, Suite 500, Midland, TX 79701,
hereby requests an exception to Rule 306 for 3 years days or until
June 30, 19 90, for the following described tank battery (or LACT):
Name of Lease Parkway 36 State Name of Pool Wildcat Delaware
Location of Battery: Unit Letter F Section 36 Township 19S Range 29E
Number of wells producing into battery 1
- B. Based upon oil production of 15* barrels per day, the estimated* volume
of gas to be flared is 15* MCF; Value \$15.00 per day.
- C. Name and location of the nearest gas gathering facility:
Conoco temporarily abandoned pipeline, 4000' north, @ NE/SW 25-19S-29E
- D. Distance 4000' Estimated cost of connection \$16,000
- E. This exception is requested for the following reasons:
1) Construction of a pipeline cannot be economically justified.
2) Phillips and Conoco pipeline companies have been given data on this well in efforts to market the gas.
3) Offset drilling is conceivable and therefore a three year exception is requested rather than an indefinite time exception.

* Current production is 35 BO, 34 BW, & 37 MCF & falling. Expect rapid production decline to 15 BOPD.

- 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.

Patricia Jay Shum
(Signature)

Sr. Production Engineer
(Title)

5-11-87

(Date)

Approved Until Further Notice

NEW MEXICO OIL CONSERVATION DIVISION

By Mike Williams

Title OIL AND GAS INSPECTOR

Date MAY 27 1987