

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-129
Revised 4-1-91

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

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410

Submit 3 copies to 1995
Appropriate District Office

NFO Permit No. _____
(For Division Use Only)

OIL CON. DIV.
DIST. 2

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306
(See Rule 306 and Rule 1129)

A. Applicant Read & Stevens, Inc.

whose address is P. O. Box 1518, Roswell, New Mexico 88202-1518

hereby requests an exception to Rule 306 for indefinite days or until
_____, 19____, for the following described tank battery (or LACT):

Name of Lease Nix Federal Name of Pool Fenton Delaware

Location of Battery: Unit Letter E Section 27 Township 21S Range 28E

Number of wells producing into battery one

B. Based upon oil production of 107 barrels per day, the estimated * volume
of gas to be flared is 22 a day MCF; Value \$15.00 per day.

C. Name and location of nearest gas gathering facility:

Associated Gas Gathering

D. Distance 3 miles Estimated cost of connection \$80,000.00

E. This exception is requested for the following reasons: At present the gas cannot
be economically tied to a sales line, however we are anticipating
drilling of additional wells. As such, additional gas will be
developed and the economics of connecting to a sales line will
improve.

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 [Signature]

Printed Name
& Title John C. Maxey, Jr. Petroleum Engineer

Date March 9, 1995 Telephone No. 505-622-3770

OIL CONSERVATION DIVISION

Approved Until ORIGINAL SIGNED BY TIM W. GUM
DISTRICT II SUPERVISOR

By _____

Title _____

Date APR 3 1995

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