

NFO Permit No. 2-835
(For Division Use Only)

A. Applicant, YATES PETROLEUM CORPORATION,
whose address is 105 South 4th St., Artesia, NM 88210,
hereby requests an exception to Rule 306 for indefinite days or until
 , 19 , for the following described tank battery (or LACT):
Name of Lease Medano VA State #1 Name of Pool Undes. Delaware
Location of Battery: Unit Letter K Section 16 Township 23 Range 31
Number of wells producing into battery 2 (Wells #1 & #3) Note: #3 well not completed.

B. Based upon oil production of barrels per day, the estimated [•] volume
of gas to be flared is 30 MCF; Value \$27.50± per day.

C. Name and location of the nearest gas gathering facility:
Not known

D. Distance Estimated cost of connection

E. This exception is requested for the following reasons:

Gas is low pressure. Pumper reports that it is several miles to
a low gas gathering system.

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.

J. J. S. S. S.
(Signature)
Production Supervisor
2-5-91
(Date)

Gas Must Be Flared

Approved Until Further Notice

NEW MEXICO OIL CONSERVATION DIVISION

By M. H. Walker

Title SUPERVISOR, DISTRICT #1

Date FEB 18 1991