STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT RECEIVED

OIL CONSERVATION DIVISION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

Form C-129 Revised 10-1-78

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306 APR 14'89 2-811 NFO Permit No. O. C. D. (For Division Use Only) ARTESIA, OFFICE LANEXCO, INC. Applicant, whose address is P.O. BOX 1206 Jal, New Mexico 88252 hereby requests an exception to Rule 306 for ______365____ _____days or until 4/28_____, 19.90, for the following described tank battery (or LACT): Wildcat Bonesprings Name of Lease ____Cerro. Com_____Name of Pool____ Location of Battery: Unit Letter E Section 11 Township 23-S Range 27-E Number of wells producing into battery _____One__ Based upon oil production of _____24 ____barrels per day, the estimated * volume 8. of gas to be flared is ______ MCF; Value _____ 2 ___per day. Name and location of the nearest gas gathering facility: Ċ. On this location Ell, 23S 27E Estimated cost of connection 3759_69 D. Distance _ E. This exception is requested for the following reasons: We have yet to obtain a gas contract lars Must i hereby certily that the rules and regulations of the Oli 4/17/90 Conservation Division have been complied with and Approved Until _ that the information given above is true and complete to the best of my knowledge and belief. NEW MEXICO OIL CONSERVATION DIVISION 4/chama SUPERVISOR, DISTRICT II (Signature) Title_ Robert W. Lansford (Title) i APR 17 1989 Executive Vice President Date (Date)

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

4/12/89