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APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

RECEIVED
JUL 15 1987
O. C. D.
ARTESIA, OFFICE

NFO Permit No. 2-783
(For Division Use Only)

A. Applicant, Phillips Petroleum Company,

whose address is 4001 Penbrook Street, Odessa, Texas 79762,

hereby requests an exception to Rule 306 for approx. 120 days or until

November 1, 1987, for the following described tank battery (or LACT):

Name of Lease James-A Name of Pool Cabin Lake (Delaware)

Location of Battery: Unit Letter J Section 2 Township 22-S Range 30-E

Number of wells producing into battery 1

B. Based upon oil production of 181 barrels per day, the estimated* volume
of gas to be flared is 100 MCF; Value \$1.35/MCF per day.

C. Name and location of the nearest gas gathering facility:

Phillips' Big Eddy Booster, T-21-S, R-31-E, Eddy County

D. Distance 10 miles Estimated cost of connection \$500,000

E. This exception is requested for the following reasons:

Additional time is needed to flare casinghead gas on well no 2 so that
a compressor can be justified, approved and construction completed
in order to go from low pressure line into El Paso's Eunice-Carlsbad line.
El Paso's line is a high pressure line located on the well pad.
See attached letter.

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.

L.M. Sanders for W. J. Mueller
(Signature)

Engineering Supervisor, Reservoir
(Title)

July 12, 1987
(Date)

Approved Until Aug 17, 1987

EXTENDED TO Sept. 1, 1987
Re submit C-129 - chw/MLL

NEW MEXICO OIL CONSERVATION DIVISION

By Mike Williams

Title OIL AND GAS INSPECTOR

Date JUL 17 1987

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