

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

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III  
1000 Rio Brazos Rd, Aztec, NM 87410

Submit 3 Copies to  
Appropriate District Office

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-129  
Revised 4-1-91

OIL CONSERVATION DIVISION

RECEIVED

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

AUG 20 1991

NFO Permit No. 2-241  
(For Division Use Only)

O. C. D.  
APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306  
(See Rule 306 and Rule 1129)

- A. Applicant Graham Royalty, Ltd.,  
whose address is 5429 LBJ Fwy, Suite 550 Dallas, TX 75240,  
hereby requests an exception to Rule 306 for 120 days or until  
Dec. 1, 19 91, for the following described tank battery (or LACT):  
Name of Lease Nymeyer "A" Name of Pool East Loving (Delaware)  
Location of Battery: Unit Letter C Section 15 Township 235 Range 28E  
Number of wells producing into battery 1
- B. Based upon oil production of 25 barrels per day, the estimated \* volume  
of gas to be flared is 60 MCF; Value \$60 per day.
- C. Name and location of nearest gas gathering facility:  
Llano, El Paso, Continental  
Llano - 3,000'  
El Paso - 2,300'  
Continental - 1,320'
- D. Distance Continental - 1,320' Estimated cost of connection Llano - \$38,000  
El Paso - \$36,000  
Continental - \$26,000
- E. This exception is requested for the following reasons:  
Current economic conditions and well's gas production  
have reduced demand. Several obstructions exist re-  
quiring additional cost and permitting.

Gas must be flared

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 Jason C. Sizemore

Printed Name  
& Title Jason C. Sizemore-Sr. Petroleum Eng.

Date 8/12/91 Telephone No. (214) 991-3344

OIL CONSERVATION DIVISION

Approved Until 12/1/91

By MA Walker

Title SUPERVISOR, DISTRICT II

Date AUG 22 1991

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