

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

NFO Permit No. 3-622
(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 Ristra AGW State #1 Name of Pool Bisti Lower Gallup

Location of Battery: Unit Letter J Section 32 Township 24 Range 9

Number of wells producing into battery 1

- B. Based upon oil production of 35 barrels per day, the estimated * volume
of gas to be flared is 52 MCF; Value \$40-\$45 per day.

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

Duggan Production is the nearest gathering facility.

- D. Distance 1/2+ miles Estimated cost of connection \$23,000

- E. This exception is requested for the following reasons:

R-O-W and pipeline will cost approximately \$23,000.00.
A monthly charge of \$150.00 plus 26¢/mcf will be charged for
transportation, measurement, etc.
Gas is uneconomical to connect to pipeline.

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DIST. 3

- 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.

Francisco S. Sautter
(Signature)

Production Supvr.
(Title)

5-4-90
(Date)

Approved Until 12-7-90
Cannot exceed 30 MCF/10

NEW MEXICO OIL CONSERVATION DIVISION

By *[Signature]*
SUPERVISOR DISTRICT #3

Title
Date OCT 16 1990

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

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