

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-129
Revised 10-1-78

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

NFO Permit No. 3-629
(For Division Use Only)A. Applicant, Meridian Oil Inc.,whose address is PO Box 4289, Farmington, NM 87499,

hereby requests an exception to Rule 306 for _____ days or until

December 31, 19 99, for the following described tank battery (or LACT):Name of Lease Black Diamond Com 20 #1 Name of Pool Horseshoe Gallup ExtLocation of Battery: Unit Letter D Section 20 Township 30 Range 15Number of wells producing into battery 1B. Based upon oil production of 60 barrels per day, the estimated* volume
of gas to be flared is 42 MCF; Value _____ per day.

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

Western Gas Resources PipelineD. Distance 4514' Estimated cost of connection \$63,000

E. This exception is requested for the following reasons:

The cost of connection to the nearest gas gathering system is too
expensive. The production from the well will not allow the pipeline
to be installed because of economics.

RECEIVED

DEC - 7 1993

OIL CON. DIV.

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.

Regulatory Representative

(Title)

December 2, 1993

(Date)

Approved Until 12-7-94

NEW MEXICO OIL CONSERVATION DIVISION

By Original Signed by FRANK T. CHAVEZTitle SUPERVISOR DISTRICT # 3Date DEC - 7 1993

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