

District I
1625 N French Dr, Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-129
Revised June 10, 2003

Submit 3 Copies to appropriate
District Office

NFO Permit No. I-819-5
(For Division Use Only)

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

(See Rule 306 and Rule 1129)

A. Applicant COG OPERATING LLC,

whose address is 550 W. Texas, Suite 1300 Midland, TX 79701,

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

November 23, Yr 2008, for the following described tank battery (or LACT):

Name of Lease BONDS Name of Pool JENKINS: DEVONIAN, NE

Location of Battery: Unit Letter H Section 20 Township 9S Range 35E

Number of wells producing into battery 1 30-025-25275

B. Based upon oil production of 31 barrels per day, the estimated * volume
of gas to be vented is less than one (1) MCF; Value a fraction \$ 5.48 per day.

C. Name and location of nearest gas gathering facility:

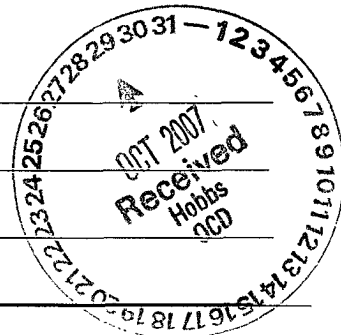
N/A

D. Distance _____ Estimated cost of connection _____

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

GAS VOLUME TOO SMALL TO MEASURE

NOT SUFFICIENT TO LIGHT PILOT LIGHT



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 K. Carrillo

Printed Name
& Title Kanicia Carrillo-Regulatory Analyst

E-mail Address kcarrillo@conchoresources.com

Date 10/26/07 Telephone No. 432-685-4332

OIL CONSERVATION DIVISION

Approved Until 10/29/08

By Gay W. Wink

Title OC FIELD REPRESENTATIVE II/STAFF MANAGER

Date OCT 29 2007

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