

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

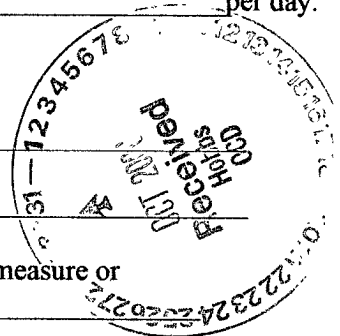
NFO Permit No. T-701-L
(For Division Use Only)

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

(See Rule 306 and Rule 1129)

- 30-025-29041
30-025-29568
- A. Applicant Yates Energy Corporation
whose address is P. O. Box 2323, Roswell, New Mexico 88202
hereby requests an exception to Rule 306 for _____ until further notice _____ days or until
_____, Yr _____, for the following described tank battery (or LACT):
Name of Lease Ready-Gulf State #3 Name of Pool Quail Queen
Location of Battery: Unit Letter C Section 18 Township 19S Range 35E
Number of wells producing into battery 2
- B. Based upon oil production of 10 barrels per day, the estimated * volume
of gas to be flared is _____ TSTM _____ MCF; Value _____ per day.
- C. Name and location of nearest gas gathering facility:

- D. Distance _____ Estimated cost of connection _____
- E. This exception is requested for the following reasons: Gas insufficient to measure or market.



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

Sheryl L. Jonas

Printed Name

& Title Sheryl L. Jonas/Agent

E-mail

Address Sjonas4011@aol.com

Date 10/26/06

Telephone No. 432-683-5511

OIL CONSERVATION DIVISION

Approved Until

10/30/07

By

Larry W. Wink

Title

FIELD REPRESENTATIVE II/STAFF MANAGER

Date

OCT 31 2006