

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  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-129  
Revised 4-1-91

NFO Permit No.

30-005-63539  
2-946  
(For Division Use Only)

**APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306**  
(See Rule 306 and Rule 1129)

RECEIVED

JAN 10 2006

OCB-ARTESIA

A. Applicant **YATES PETROLEUM CORPORATION**

whose address is 105 S. Fourth Street Artesia, NM 88210

hereby requests an exception to Rule 306 for \_\_\_\_\_ days or until

the well is plugged or connected to pipeline, 20 \_\_\_\_\_ for the following described tank battery (or LACT):

Name of Lease Starkissed AWS St. #2 Name of Pool Mesa Diablo Siluro Devonian

Location of Battery: Unit Letter E Section 3 Township 10S Range 27E

Number of wells producing into battery One (1)

B. Based upon oil production of 16 barrels per day, the estimated \* volume  
of gas to be flared is 5 MCF; Value \_\_\_\_\_ per day.

C. Name and location of nearest gas gathering facility:

Agave Energy

D. Distance 3 Miles Estimated cost of connection \_\_\_\_\_

E. This exception is requested for the following reasons: It is uneconomical to lay a pipeline.

**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 SuAnn Rogers  
Printed Name & Title Su'Ann Rogers - Regulatory Compliance Tech.

Date 1/9/2006 Telephone No. 505-748-1471

**OIL CONSERVATION DIVISION**

Approved Until 1/12-07

By [Signature]

Title Field Supervisor

Date 1-12-06

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