

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-979-A
(For Division Use Only)

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

(See Rule 306 and Rule 1129)

A. Applicant ConocoPhillips Company

whose address is 3300 N. "A" St., Midland, TX 79705

hereby requests an exception to Rule 306 for 1 Yr. days or until

March, Yr 2009, for the following described tank battery (or LACT):

Name of Lease Leamex Btty.#7(Leamex #21&26,Devon St.#2)Name of Pool:Leamex; Paddock

Location of Battery: Unit Letter N Section 22 Township 17S Range 33E

Number of wells producing into battery 3

B. Based upon oil production of 2 barrels per day, the estimated * volume

of gas to be flared is 13 MCF; Value _____ per day.

C. Name and location of nearest gas gathering facility:

RECEIVED

D. Distance _____ Estimated cost of connection _____ JAN 28 2008

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

Duke (DEFS) is not accepting the gas from Battery #7. This is due to the high CO2 content within
the production stream (currently 40%).

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 Celeste G. Dale

Printed Name
& Title Celeste G. Dale, Regulatory Specialist

E-mail Address: celeste.g.dale@conocophillips.com

Date 01/25/08 Telephone No. 432-688-6884

OIL CONSERVATION DIVISION

Approved Until 1/28/2009

By Chris Williams

Title OC DISTRICT SUPERVISOR/GENERAL MANAGER

Date MAR 03 2008

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