

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-915-B
(For Division Use Only)

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

(See Rule 306 and Rule 1129)

A. Applicant ConocoPhillips Company (#217817),

whose address is 4001 Penbrook Street, Odessa, Texas 79762,

hereby requests an exception to Rule 306 for 90 days year or until

JAN. 31, 2004
October 31 Yr 2004, for the following described tank battery (or LACT):

Name of Lease MCA Unit (Battery #4) #126 Name of Pool Maljamar; Grayburg-San Andres

Location of Battery: Unit Letter A Section 26 Township T-17-S Range R-32-E

Number of wells producing into battery 34

B. Based upon oil production of _____ barrels per day, the estimated * volume
of gas to be flared is 70 MCF; Value _____ per day.

C. Name and location of nearest gas gathering facility:

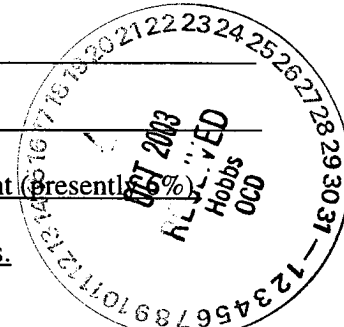
Frontier

D. Distance _____ Estimated cost of connection _____

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

Frontier is not accepting the gas from Battery #4 because of the CO2 content (presently 86%)

ConocoPhillips is presently working to find an alternative option for the gas.



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 Analyst

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

Date 10/15/03

Telephone No. 432-368-1667

OIL CONSERVATION DIVISION

Approved Until

1/31/04

By

Chris Williams

Title

OC DISTRICT SUPERVISOR/GENERAL MANAGER

Date

Re-submit in 90 days & discuss

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