

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

Form C-129
Revised June 10, 2003

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

Submit 3 Copies to appropriate
District Office

RECEIVED

OCT 02 2009

HOBBSOCD

NFO Permit No. I-979-B
(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., Bldg. 6 Midland, TX 79705,

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

OCTOBER, Yr 2010, for the following described tank battery (or LACT):

Name of Lease Leamex Btty # 7 Name of Pool Leamex; Paddock

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

Number of wells producing into battery 3 30-025-24897; 30-025-26222

B. Based upon oil production of 82 barrels per day, the estimated * volume

of gas to be flared is 12 MCF; Value 30-025-26759 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:

Duke (DEFS) is not accepting gas from Battery #7, which consists of Leamex #21, Leamex #26, and

Devon State #2. This is due to the high CO2 content within the production stream, currently at 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 Jalyn N. Fiske

Printed Name
& Title Jalyn N. Fiske Regulatory Specialist

E-mail Address Jalyn.Fiske@conocophillips.com

Date 09/28/2009 Telephone No. (432)688-6813

OIL CONSERVATION DIVISION

Approved Until 10/05/10

By [Signature]

Title PETROLEUM ENGINEER

Date OCT 05 2009

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