

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. 1-762-L
(For Division Use Only)

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

(See Rule 306 and Rule 1129)

RECEIVED

FEB 07 2011

HOBBES

Applicant LANEXCO, INC.

whose address is 1105 WEST KANSAS, JAL, NM 88252

hereby requests an exception to Rule 306 for ~~2 YEARS~~ days or until

12-15-2011, Yr , for the following described tank battery (or LACT):

Name of Lease CRAWFORD STATE Name of Pool STATELINE ABO

Location of Battery: Unit Letter D Section 4 Township 24S Range 38E

Number of wells producing into battery 1 API# 30-025-21473

B. Based upon oil production of 2 - 3 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:

SOUTHERN UNION

D. Distance 4 MILES Estimated cost of connection ?

E. This exception is requested for the following reasons: THIS WELL MAKES JUST ENOUGH GAS TO RUN THE ENGINE AND OPERATE THE HEATER TREATER.

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 Paul L. Mann

Printed Name
& Title CHARLIE MANN PRODUCTION SUPT.

E-mail Address

Date 01/25/11 Telephone No 575-395-3056

OIL CONSERVATION DIVISION

Approved Until 12-15-2011

By James E. Brown

Title STAFF MGR

Date 2-9-2011

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