

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

Form C-129
Revised 4-1-91

OIL CONSERVATION DIVISION
2040 Pacheco St.
Santa Fe, NM 87505

NFO Permit No.

I-548-6
(For Division Use Only)

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

- A. Applicant Permian Resources, Inc. DBA Permian Partners, Inc.,
whose address is P.O. Box 590 Midland, Texas 79702,
hereby requests an exception to Rule 306 for 365 days or until
July 18, 1998, for the following described tank battery (or LACT):
Name of Lease State 8 #1-I Name of Pool Chaveroo San Andres
Location of Battery: Unit Letter I Section 08 Township 07 Range 34
Number of wells producing into battery 1
- B. Based upon oil production of 2 barrels per day, the estimated * volume
of gas to be flared is TSTM MCF; Value TSTM per day.
- C. Name and location of nearest gas gathering facility:
N/A
- D. Distance N/A Estimated cost of connection N/A
- E. This exception is requested for the following reasons: Gas production too small to
to sell.

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 D'Ann Birkhead

Printed Name & Title D'Ann Birkhead - Agent

Date 7/18/97 Telephone No. 915-685-0113

OIL CONSERVATION DIVISION

Approved Until 10/11/1999

By Paul J. Rupp

Title Geologist

Date AUG 5 1997

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