

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

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-129
Revised 4-1-

NFO Permit No. I-850

(For Division Use Only)

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

- A. Applicant Yates Petroleum Corporation
whose address is 105 South Fourth Street - Artesia, NM 88210
hereby requests an exception to Rule 306 for an indefinite time days or until
19, for the following described tank battery (or LACT):
Name of Lease East Bagley AHK State #1 Name of Pool East Bagley Penn
Location of Battery: Unit Letter G Section 6 Township 12S Range 34E
Number of wells producing into battery One (1)
- B. Based upon oil production of 5 barrels per day, the estimated * volume
of gas to be flared is 4 MCF; Value per day.
- C. Name and location of nearest gas gathering facility:
Warren Petroleum Corporation
- D. Distance Estimated cost of connection
- E. This exception is requested for the following reasons: Warren will no longer take gas
as it is uneconomical.

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 Rusty Klein

Printed Name
& Title Rusty Klein - Operations Technician

Date Dec. 8, 1997 Telephone No. 505-748-1471

OIL CONSERVATION DIVISION

Approved Until 12/10/98

ORIGINAL SIGNED BY CHRIS WILLIAMS
DISTRICT I SUPERVISOR

By

Title

Date

DEC 10 1997

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