

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

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

Form C-129
Revised 4-1-91

NFO Permit No. I-853-B
(For Division Use Only)

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

- A. Applicant Charles B. Gillespie, Jr.,
whose address is P.O. Box 8, Midland, Texas 79702,
hereby requests an exception to Rule 306 for 5 years 365 days or until
March 14, 2001, for the following described tank battery (or LACT):
Name of Lease Hodge #1 Name of Pool Trinity (Devonian)
Location of Battery: Unit Letter M Section 27 Township 12S Range 38E
Number of wells producing into battery 1
- B. Based upon oil production of 55 barrels per day, the estimated * volume
of gas to be flared is TSTM MCF; Value None per day.
- C. Name and location of nearest gas gathering facility:
Dynegy
- D. Distance 800' Estimated cost of connection \$10,500
- E. This exception is requested for the following reasons: Gas volume not sufficient
to meet Dynegy's minimum volume requirements

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 [Signature]

Printed Name
Title Mark Mladenka, Production Mgr.

Date 03/07/00 Telephone No. (915) 683-1765

OIL CONSERVATION DIVISION

Approved Until 3-14-2001

By [Signature]
Title FIELD REPRESENTATIVE II

Date MAR 14 2000

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