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 March 17, 1999

Submit 3 Copies to appropriate District Office

NFO Permit No. I-~~807~~ 887
(For Division Use Only)

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

(See Rule 306 and Rule 1129)

A. Applicant Read & Stevens, Inc.,

whose address is P. O. Box 1518 Roswell, New Mexico 88202,

hereby requests an exception to Rule 306 for 180 days or until

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

Name of Lease Meredith State #1 Name of Pool Wildcat Cisco Canyon

Location of Battery: Unit Letter F Section 24 Township 17S Range 35E

Number of wells producing into battery 1

B. Based upon oil production of 19 barrels per day, the estimated * volume

of gas to be flared is 30 MCF; Value $60.00 per day.

C. Name and location of nearest gas gathering facility:

(low pressure) Duke

D. Distance 2 miles Estimated cost of connection $51,000

E. This exception is requested for the following reasons:

Gas rate is uneconomic for required pipeline expenditure. Evaluating other options such as high pressure gas lines and compression.

OPERATOR	OIL CONSERVATION DIVISION
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.	Approved Until 8-7-03
Signature	By ORIGINAL SIGNED BY GARY W. WINK
Printed Name & Title John C. Maxey, Jr. Operations Manager	Title OC FIELD REPRESENTATIVE II/STAFF MANAGER
Date 7-26-02 Telephone No. 505/622-3770	Date AUG 09 2002

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