District I P.O. Box 1980 Hobbs, NM 88241-1980 District II P.O. Box 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, Mineral and Natural Resources Department

Form C-129 Revised 4-1-91

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

NFO Permit No. <u>I-833-C</u>

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

A.	Applicant Sapient Energy Corp		
	whose address is 8801 S. Vale, Ste 150, Tulsa, OK 74137		
	hereby requests an exception to rule 306 for <u>an indefinite time</u> days or until ,for the following described tank battery (or LACT): Name of Lease <u>Anasazi 4 State</u> Name of Pool <u>Yates Seven Rivers</u>		
	Location of Battery: Unit Letter J Section 4 Township 20S Range 33E		
	Number of Wells producing into battery1		
B.	Based upon oil production of <u>6</u> barrels per day, the estimate * volume		
	of gas to be flared is <u>1 mcf TSTM</u> MCF: Value <u>0</u> per day.		
C.	Name and location of nearest gas gathering facility: <u>GPM Gas Core 1/4 miles South</u>		
D.	Distance 1320' Estimated cost of connection \$10,000		
E.	This exception is requested for the following reasons: <u>Uneconomic.Because of the merge</u>		
	between Falcon Creek & Sapient the field was not unitized for waterflood,		
	but is expected to be by June 30, 2001 at which time production facilities		
	will be centralized.		

OPERATOR	OIL CONSERVATION DIVISION
I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with an that the information given above is true and complete to the best of my knowledge and belief.	Approved Until 12/29/2001
Signature Laure Luce	By Harry W. W. Junks
Printed Name	
& Title Gerald Lucero, Manager of Operations	TitleFIELD REPRESENTATIVE II
Date December 11, 2000 Telephone No. (918) 488-8988	DateQEC 2 9 2000