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

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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 Z - 83/-D

NFO Permit No.

(For Division Use Only)

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

Α.	Applicant SAPIENT ENERGY CORP,		
	whose address is <u>8801 SOUTH YALE, STE 150, TULSA, OK</u> 74137		
	hereby requests an exception to Rule 306 for	days or until	
	May 18, Yr 2002, for the following described tank battery (or LACT):		
	Name of Lease STATE BF Name of Pool <u>Teas Yates Seven Rivers</u> West		
	Location of Battery: Unit LetterL	Section <u>16</u> Township <u>205</u> Range <u>33E</u>	
	Number of wells producing into battery5		
В.	Based upon oil production of22	barrels per day, the estimated * volume	
	of gas to be flared is 10	MCF; Value \$25.00 per day.	
С.	Name and location of nearest gas gathering facility:		
	FEDERAL 9 TANK BATTERY UNIT G, Sec 9-R20S-T33E		
D.	Distance <u>1.2 miles</u> Estimated cost of connection <u>\$25,000.00</u>		
E.	This exception is requested for the following reasons: <u>The wells from this battery will</u>		
	be put together in a central tank battery as described in West Teas		
	Unit Application - the authority to inject has been extended 192021222		
	May 18, 2002.	Ser A Star	
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 OCD GO	
Signature Henne Lun		ORIGINAL SIGNED BY SFECT	
Printed Name		TitlePETROLEUM ENGINEER	
& Title Gerald Lucero, Operations Manager			
Date <u>11/15/01</u> Telephone No. <u>&720)685-3432</u>		Date NOV 2 0 2001	
Gas-Oil ratio test may be required to vorify estimated and volume			

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