DISTRICT I P.O.Box 1980, Hobbs, NM 88241-1980

DISTRICTURE P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III 1000 Rio Brazos Rd, Azzec, NM 87410 Submit 3 Copies to Appropriate District Office State of New Mexico

OIL CONSERVATION DIVISION

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

NFO Permit No.___

4 (For Division Use Only)

Form C-129

Revised 4-1-91

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

A.	Applicant RAY A. PIERCE		
	whose address is PO BOX 1969 EUNICE, NEW MEXICO 88231-1969,		
	hereby requests an exception to Rule 306 for as hong as well will was wat		
	quanties produce_oil_in_paying_, BXXXX, for the following described tank battery (or LACT):		
	Name of Lease KORNEGAY Name of Pool HOUSE SAN ANDRES		
	Location of Battery: Unit Letter F Section 13 Township 20S Range 38E		
	Number of wells producing into battery One		
B.	Based upon oil production of5 barrels per day, the estimated * volume		
	of gas to be flared is <u>NONE</u> MCF; Valueper day.		
C.	Name and location of nearest gas gathering facility:		
	SID RICHARDSON GASOLINE COMPANY in Unit Letter D		
D.	Distance 1980' Estimated cost of connection \$12,161.00		
E.	This exception is requested for the following reasons: Well does not produce enough		
	gas to keep heater lighted. A line laid to the well would		
	never pay for itself. There is no environmental hazard		
	nor pollution from this operation		

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 $10/2/99$
Signature Ray a. Pierce	ORIGINAL SIGNED BY CHRIS WILLIAMS By DISTRICT LSUPERVISOR
Printed Name & TitleRAY_A. PIERCE-OWNER/OPERATOR	TitleOCT 0 2 1998
Date 09/29/98 Telephone No. 394-3205	Date

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