

# EOB ENERGY CORPORATION

"Energy's Our Business"

January 28, 1984

9-D 3600 N. Midland Drive  
Midland, Texas 79703

(915) 699-4090

New Mexico Oil Conservation  
District I  
P.O. Box 1980  
Hobbs, New Mexico 88240

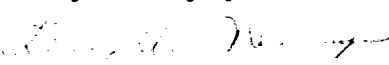
Re: Exception to No-Flare Rule  
State "20" Well No. 1  
NW/4 NE/4, Section 20  
T-23-S, R-36-E  
Lea County, New Mexico  
Lease No. A-983

Gentlemen:

We respectfully request an exception to No-Flare Rule 306 until connected to gas sales line by Phillips Petroleum Company for our State "20" Well No. 1. This well produces from the Jalmat (Oil) Pool. The Tank Battery is located in Unit B, Section 20, T-23-S, R-36-E, Lea County, New Mexico. Based upon oil production of 36 barrels per day the estimated volume of gas flared is 34 MCF per day.

This exception is requested because Phillips Petroleum Company has not connected the tank battery to their sales line. We have signed a gas contract with Phillips Petroleum Company and they have told us they will connect the Sales Line to our tank battery as soon as possible. We hope you will approve this request for exception to No-Flare Rule 306. If more information is needed please advise.

Very truly yours

  
Larry A. Nermyr  
Engineer