

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980
DISTRICT II
P.O. 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
Bureau of Geology, Minerals and Natural Resources Department

Form C-129
Revised 4-1-91

OIL CONSERVATION DIVISION
2040 Pacheco St.
Santa Fe, NM 87505

NFO Permit No. I-762-F
(For Division Use Only)

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

- A. Applicant LANEXCO, INC.
whose address is 1105 WEST KANSAS, JAL NM 88252
hereby requests an exception to Rule 306 for _____ days or until
DECEMBER 1, 19 2004, for the following described tank battery (or LACT):
Name of Lease CRAWFORD STATE Name of Pool STATELINE ABO
Location of Battery: Unit Letter D Section 4 Township 24S Range 38E
Number of wells producing into battery 1
- B. Based upon oil production of 1-2 BOPD barrels per day, the estimated * volume
of gas to be flared is TSTM MCF; Value ? per day.
- C. Name and location of nearest gas gathering facility:
SID RICHARDSON
- D. Distance 4 MILES Estimated cost of connection ?
- E. This exception is requested for the following reasons: Gas transmission lines too far
away. This well barely makes enough gas to operate the surface
equipment.

OPERATOR

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.

Signature Mike Copeland

Printed Name
& Title MIKE COPELAND PRODUCTION SUPT.

Date 12-19-02 Telephone No. 505-395-3056

OIL CONSERVATION DIVISION

Approved Until 12/30/2003

By [Signature]
Title PETROLEUM ENGINEER

Date JAN 03 2003

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