1625 N. French Dr., Hobbs, NM 88240M OIL CONSERVATIONState of New Mexico ARTESIA DISTRICT Oil Conservation Division 811 S. First St., Artesia, NM 88210 1220 South St. Francis Dr. Santa Fe, NM 87505 District III NOV 3:0 2016 1000 Rio Brazos Road, Aztec, NM 87410

Form C-129 Revised August 1, 2011

Submit one copy to appropriate

District Office

1220 S. St. Francis Dr., Santa Fe, NM 87505

District IV

NFO Permit No.

(For Division Use Only)

RECEIVED

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 19.15.18.12

(See Rule 19.15.18.12 NMAC and Rule 19.15.7.37 NMAC)

A. Applicant EOG Y Resources, Inc. whose address is 105 S. Fourth Street, Artesia, NM 88210 hereby requests an exception to Rule 19.15.18.12 for ______ days or until November 30, 2016 - February 27, Yr 2017, for the following described tank battery (or LACT): Name of Lease Bolivar BRD Federal Com #1H Name of Pool Bone Spring Location of Battery: Unit Letter I Section 33 Township 24S Range 27E Number of wells producing into battery 1 well, API 30-015-40742 Based upon oil production of 26 barrels per day, the estimated * volume В. of gas to be flared is 133 +/- Daily MCF; Value per day. Name and location of nearest gas gathering facility: C. Distance Estimated cost of connection ____ D. This exception is requested for the following reasons: Requesting permission to flare due to abnormal Ε. system pressures in Agave lines. The possibility of flare will not be consistent; therefore, the volume above can easily fluctuate. **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 Approved Until ACCEPTED FOR RECORD is true and complete to the best of my knowledge and belief. Signature N.M.O.C.D By_ Printed Name Title & Title Carrissa M. O'Meara, Sr. Production Reporting Asst. Date 11130110 E-mail Address Carrissa Omeara@eogresources.com Date: November 28, 2016 Telephone No: 575-748-4203

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