<u>District 1</u> 1625 N French Dr , Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III
1000 Rto Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 8750 RECE

HOBBSERGE State of New Mexico Dinerals and Natural Resources

JUL 06 2017 220 South St. Francis Dr. Santa Fe, NM 87505

Form C-129 Revised August 1, 2011

Submit one copy to appropriate District Office

NFO Permit No. __ (For Division Use Only)

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 COG Operating LLC | |
|--|---|--|
| | whose address is 2208 W. Main, Artesia, NM 88210 | |
| | hereby requests an exception to Rule 19.15.1 | 8.12 for 90 days or until |
| | September 30 , Yr 2017 , for the following described tank battery (or LACT): | |
| | Name of Lease Cabo Blanco State | Name of Pool Bone Spring |
| | Location of Battery: Unit Letter A | Section 5 Township 24S Range 33E |
| | Number of wells producing into battery4 | 30-025-42000, 30-025-40703, 30-025-40702, 30-025-43022 |
| В. | Based upon oil production of 290 barrels per day, the estimated * volume | |
| | of gas to be flared is1960 | MCF; Valueper day. |
| C. | Name and location of nearest gas gathering facility: | |
| | Lucid | |
| D. | DistanceEstimated cost of connection | |
| E. | This exception is requested for the following reasons:Unplanned midstream curtailment | |
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| ODER LEOR | | |
| OPERATOR I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above | | |
| | ete to the best of my knowledge and belief. | Approved Until 10/5/2017 |
| Signature | Cathy Delly | By Maly & Brown |
| Printed Name | | Title AO/II |
| & Title | Cathy Seely/Engineering Tech | 7/1/2014 |
| E-mail Addres | SS_cseely@concho.com | Date // CO! |
| Date 7/5/17 | Telephone No. 575-748-1549 | |

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