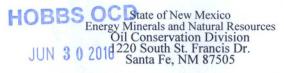
| District I | | |
|---|--|--|
| 1625 N. French Dr., Hobbs, NM 88240 | | |
| District II | | |
| 811 S. First St., Artesia, NM 88210 | | |
| District III | | |
| 1000 Rio Brazos Road, Aztec, NM 87410 | | |
| District IV | | |
| 1220 S. St. Francis Dr., Santa Fe, NM 87505 | | |



Form C-129 Revised August 1, 2011

Submit one copy to appropriate District Office

RECEIVED

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)

| Α. | Applicant <u>Yates Petroleum Corporation</u> , | | |
|----|---|--|--|
| | whose address is <u>105 S. Fourth Street, Artesia, NM 88210</u> , hereby requests an exception to Rule 19.15.18.12 for <u>days or</u> unti | | |
| | | | |
| | <u>June 29 – September 16</u> , Yr <u>2016</u> , for the following described tank battery (or LAC | | |
| | Name of Lease Berry APN State #2H Name of Pool Bone Spring | | |
| | Location of Battery: Unit Letter <u>M</u> Section <u>5</u> Township <u>21S</u> Range <u>34E</u> | | |
| | Number of wells producing into battery <u>1 well, API #30-025-40374</u> | | |
| B. | Based upon oil production of58 barrels per day, the estimated * volume | | |
| | of gas to be flared is <u>69 +/- Daily</u> MCF; Value per day. | | |
| C. | Name and location of nearest gas gathering facility: | | |
| D. | DistanceEstimated cost of connection | | |
| E. | This exception is requested for the following reasons: <u>Requesting permission to flare due to abno</u> | | |
| | system pressures in DCP 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 is true and complete to the best of my knowledge and belief. | Approved Until <u>9/16/2016</u> | |
| Signature Mine Huerta | By MadeysBrown | |
| Printed Name & Title <u>Tina Huerta, Regulatory Reporting Supervisor</u> | Title Dist Supervisor | |
| E-mail Address tinah@yatespetroleum.com | Date 6/30/2016 | |
| Date: June 27, 2016 Telephone No: 575-748-4168 | | |

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