District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 AUG 01 2016 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 ECEIVED

HOBBSEnergy, Minerals and Natural Resources

Oil Conservation Division 1220 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)

Α.	Applicant XTO Energy Inc.		
	whose address is 200 N. Loraine, Suite 800, Midland, Texas 79701		
	hereby requests an exception to Rule 19.15.18.12 for 90 days or until		
	October 26 , Yr 16 , for the following described tank battery (or LACT):		
	Name of Lease Arrowhead Grayburg Name of Pool Arrowhead, Grayburg		
	Location of Battery: Unit Letter <u>G</u> Section <u>25</u> Township <u>218</u> Range <u>36E</u>		
	Number of wells producing into battery11		
B.	Based upon oil production of 58 barrels per day, the estimated * volume		
	of gas to be flared is 5940 MCF; Value 66 mcf per day.		
C.	Name and location of nearest gas gathering facility: DCP Midstream		
D.	Distance Estimated cost of connection		
E.	This exception is requested for the following reasons:   DCP repairing a leak on a gathering line		
	Assigned API - AGU 352 - APi #30-025-34823 (API list of wells attached)		
	at the rules and regulations of the Oil Conservation an complied with and that the information given above OIL CONSERVATION DIVISION Approved Until		
true and completing ignature	HUN Rick By Mayers Brown		
rinted Name Title S	Sherry Pack Title Dist Supervisor		
	sherry_pack@xtoenergy.com Date 8/3/2016		
201 C	0/2016 Telephone No. 432-620-6709		

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

AGU Sat #3		
WELL NAME	API	
ARROWHEAD GRAYBURG UNIT #106	30-025-23324	
ARROWHEAD GRAYBURG UNIT #142	30-025-04928	
ARROWHEAD GRAYBURG UNIT #149	30-025-08733 FEDERAL	
ARROWHEAD GRAYBURG UNIT #166	30-025-08724 FEDERAL	
ARROWHEAD GRAYBURG UNIT #168	30-025-08727	
ARROWHEAD GRAYBURG UNIT #178	30-025-31559	
ARROWHEAD GRAYBURG UNIT #335	30-025-34636	
ARROWHEAD GRAYBURG UNIT #343	30-025-34844	
ARROWHEAD GRAYBURG UNIT #351	30-025-34927 FEDERAL	
ARROWHEAD GRAYBURG UNIT #352	30-025-34823	
ARROWHEAD GRAYBURG UNIT #360	30-025-37283	