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

State of New Mexico Energy, Minerals and Natural Resources

Oil Conservation Division HOBBS OCHO South St. Francis Dr. Santa Fe, NM 87505

Form C-129 Revised August 1, 2011

Submit one copy to appropriate District Office

MAY 1 6 2016

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.	ApplicantXTO ENERGY INC	
	Name of Lease Perla Verde Name of Pool Bone Spring	
		Location of Battery: Unit Letter <u>M</u> Section <u>31</u> Township <u>19S</u> Range <u>35E</u>
	Number of wells producing into battery4	
B.	Based upon oil production of 550 barrels per day, the estimated * volume	
	of gas to be flared is 36,000 MCF; Value est 400 mcf per day.	
C.	Name and location of nearest gas gathering facility: Targa	
D. E.	Distance Estimated cost of connection This exception is requested for the following reasons: Unexpected SI by Targa causing us to flare. Following wells associated with this battery:	
	PERLA VERDE 31 STATE #003H (30-025-41862) and #004 (30-025-41863)	
	Division have been	At the rules and regulations of the Oil Conservation in complied with and that the information given above te to the best of my knowledge and belief.
Signature St	erry Rick By_ MakersBrown	
Printed Name & Title S	Sherry Pack, Regulatory Analyst	
E-mail Address	sherry_pack@xtoenergy.com Datc 5/17/2016	
Date 5/12	/2016 Telephone No. 432.620.6709	

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

Telephone No.

Date