District I 1625 N. French Dr., Hobbs, NM 88240 OBBS OCD State of New Mexico Form C-129 District II State of New Mexico Energy Minerals and Natural Resources Revised August 1, 2011 811 S. First St., Artesia, NM 88210 District III 1220 South St. Francis Dr. Submit one copy to appropriate 1000 Rio Brazos Road, Aztec, NM 87410 MAY 17 2016 NFO Permit No.	
A. Applicant <u>Yates Petroleum Corporation</u> ,	
whose address is 105 S. Fourth Street, Artesia, NM 88210,	
hereby requests an exception to Rule 19.15.18.12 for days or until	
August 30 , Yr 2016 , for the following described tank battery (or LACT):	
Name of Lease Basilisk BQS State Com #1H Name of Pool Bone Spring	
Location of Battery: Unit Letter <u>N</u> Section <u>36</u> Township <u>24S</u> Range <u>32E</u>	
Number of wells producing into battery <u>1 well, API 30-025-40054</u>	
B. Based upon oil production of <u>26</u> barrels per day, the estimated * volume	
of gas to be flared is <u>213 +/- 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 abnormal</u>	
system pressures in Agave lines. The possibility of flare will not be consistent; therefore, the volume above	
can easily fluctuate.	
OPERATOR 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.	OIL CONSERVATION DIVISION Approved Until 8/23/2016
Signature Vine Harte	By_ MajursBrown
Printed Name & Title <u>Tina Huerta, Regulatory Reporting Supervisor</u>	Title
E-mail Address tinah@yatespetroleum.com	Date 5/23/2014
Date: May 13, 2016 Telephone No: 575-748-4168 * Gas-Oil ratio test may be required to verify estimated gas volume.	