District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210 HOBBS

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy 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)

RECEIVED

110/2016 Telephone No. 432-202-0145

1000 Rio Brazos Road, Aztec, NM 87410 NOV 1 0 2016

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)

Applicant VANGUARD OPERATING, LLC A. whose address is 5847 SAN FELIPE, STE, 3000 HOUSTON, TEXAS 77057 , Yr , for the following described tank battery (or LACT): Name of Lease NEW MEXICO M STATE Name of Pool BLINEBRY; TUBB; DRINKARD Location of Battery: Unit Letter P Section 18 Township 22S Range 37E Based upon oil production of 53 barrels per day, the estimated * volume B. of gas to be flared is 600 MCF; Value per day. C. Name and location of nearest gas gathering facility: ENERGY TRANSFER JAL-3 PLANT Estimated cost of connection D. Distance This exception is requested for the following reasons: Requesting to flare gas due to Force Majeure E. event at Energy Transfer's Jal-3 plant beginning 11/11/2016. List of wells attached. Maxey Brown was contacted 11/07/2016 and verbal permission was granted. OIL CONSERVATION DIVISION **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. Signature Printed Name Kyle Zimmerwann Title & Title Operations Engineer I Date E-mail Address KZIMMERMON & VNCIL. COM



Facility Name: New Mexico M State Battery

Well Name	API#	Footage	1/4 1/4 (UL)	Sec	Township	Range	Meridian	County	State
New Mexico M State #48	30-025-26014	660' FNL & 560' FWL	D	17	225	37E	NMPM	Lea	NM
New Mexico M State #50	30-025-37354	1,650' FNL & 330' FWL	E	17	225	37E	NMPM	Lea	NM
New Mexico M State #51	30-025-37355	2,310' FSL & 990' FEL	1	18	225	37E	NMPM	Lea	NM
New Mexico M State #52	30-025-37613	1,420' FSL & 2,310' FEL	1	18	225	37E	NMPM	Lea	NM
New Mexico M State #53	30-025-37692	330' FSL & 1,650' FEL	0	18	225	37E	NMPM	Lea	NM
New Mexico M State #54	30-025-37665	990' FSL & 330' FEL	P	18	225	37E	NMPM	Lea	NM
New Mexico M State #55	30-025-37540	1,650' FNL & 990' FWL	E	17	225	37E	NMPM	Lea	NM
New Mexico M State #56	30-025-37666	345' FNL & 990' FWL	D	17	225	37E	NMPM	Lea	NM
New Mexico M State #57	30-025-38207	1,920' FSL & 330' FEL	1	18	225	37E	NMPM	Lea	NM
New Mexico M State #61	30-025-38432	790' FSL & 990' FEL	P	18	225	37E	NMPM	Lea	NM