District I 1625 N. French Dr., Hobbs, NM 88240 OBBS OCHERRY Minerals and Natural Resources District II 811 S. First St., Artesia, NM 88210 FEB 1 5 2017 District III

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

Revised August 1, 2011

Form C-129

Submit one copy to appropriate District Office

1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 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)

| A.  | ApplicantDKD, LLC  |   |  |
|---|--|---|--|
|   | whose address isPO Box 682, 718 W. Broadway, Tatum, NM 88267,                            |   |  |
|   | hereby requests an exception to Rule 19.15.1   | 8.12 fordays or until                               |  |
|   |  | for the following described tank battery (or LACT): |  |
|   | Name of Lease Griffin  | Name of Pool 12049                                  |  |
|   | Location of Battery: Unit LetterB  | Section 10 Township 08 Range 32E                    |  |
|   | Number of wells producing into battery   | 2 (API #s 30-005-20767 & 30-005-20794)              |  |
| В.  | Based upon oil production of5  | barrels per day, the estimated * volume             |  |
|   | of gas to be flared is _too small to measure   | MCF; Value per day.                                 |  |
| C.  | Name and location of nearest gas gathering facility:                                     |   |  |
|   | Targa Plant  |   |  |
| D.  | Distance <u>unknown</u> Estimated cost of connection <u>unknown</u>                      |   |  |
| E.  | This exception is requested for the following reasons:                                   |   |  |
|   | Gas amount too small to measure; Targa will not take gas (reason it would never payout). |   |  |
|   |  |   |  |
|   |  |   |  |
|   |  |   |  |
| OPERATOR  hereby certify that the rules and regulations of the Oil Conservation   |  | OIL CONSERVATION DIVISION                           |  |
| Division have been complied with and that the information given above s true and complete to the best of my knowledge and belief. |  | Approved Until D/15/2017                            |  |
| Signature Many Alliation  |  | By Maleur Brown                                     |  |
| Printed Name & Title Danny R. Watson, Owner   |  | Title AO/II   |  |
| & Title Danny R. Watson, Owner  E-mail Address dkddisposals@gmail.com   |  | Date 2/16/2017                                      |  |
| Date 2/15/20  |  |   |  |
| Gas-Oil ratio test may be required to verify estimated gas volume.  |  |   |  |