<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> 811 S. First St., Artesia, NM 88210

State of New Mexico
HOBBS OCD 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

District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

FEB 1 6 2017

NFO Permit No. (For Division Use Only)

RECEIVED 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. | Applicant EOG Y Resources, Inc. | | |
|--|---|---|-----------|
| | whose address is 105 S. Fourth Street, Artesia, NM 88210 | | |
| | hereby requests an exception to Rule 19.15.18.12 fordays or until | | |
| | <u>February 27 - May 28</u> , Yr <u>2017</u> , 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 N Section 36 Township 24S Range 32E | | |
| | Number of wells producing into battery 1 well, API 30-025-40054 | | |
| В. | Based upon oil production of barrels per day, the estimated * volume | | |
| | of gas to be flared is 230 +/- Daily Mo | CF; 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: Requesting permission to flare due to abnormal | | |
| | system pressures in Agave lines. The possibility of flare will not be consistent; therefore, the volume above | | |
| | can easily fluctuate. | | |
| | | | |
| 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 5/28/2 By Majey Show | 2017 |
| Printed Name & Title Carrissa M. O'Meara, Asst. Production Accounting | | Title AO/II | |
| | | Date 2/16/ | 2017 |
| Date: February 13, 2017 Telephone No: 575-748-4203 | | | |
| 0 01 1 | test many be many inside a manife, actions to 1 and | 1 | |

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