BBS Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 State of New Mexico Energy Minerals and Natural Resources District I 1625 N. French Dr., Hobbs, NM 88240 Form C-129 Revised August 1, 2011 District II 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 Submit one copy to appropriate District Office NFO Permit No. 1220 S. St. Francis Dr., Santa Fe, NM 87505 (For Division Use Only) APPLICATION FOR EXC **EPTION TO NO-FLARE RULE 19.15.18.12** (See Rule 19.15.18.12 NMAC and Rule 19.15.7.37 NMAC) Applicant EOG Resources, Inc. A. whose address is P.O. Box 2267, Midland, Texas 79702 hereby requests an exception to Rule 19.15.18.12 for days or until June 8-September 6, Yr 2017, for the following described tank battery (or LACT): Name of Lease Dillon 31H CTB Name of Pool Bone Spring Location of Battery: Unit Letter O Section 31 Township 24S Range 34E / Dillon 31 #01H 30-025-41308 Dillon 31 #02H 30-025-41309 Number of wells producing into battery <u>3 Wells</u>; Dillon 31 #03H 30-025-41310 Based upon oil production of 21 barrels per day, the estimated * volume Β. of gas to be flared is _____1025 +/-Daily _____MCF; Value ______ per day. C. Name and location of nearest gas gathering facility: Distance Estimated cost of connection D. This exception is requested for the following reasons: Requesting permission to flare due to abnormal E. system pressures. The possibility of flare will not be consistent; therefore, the volume above can easily fluctuate. 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. Approved Until Signature By Printed Name Title & Title Kristina St. Romain - Regulatory Administrator Date E-mail Address kristina stromain@eogresources.com Date June 8, 2017 Telephone No. 432-686-3671

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