<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240

State of New Mexico Energy Minerals and Natural Resources

Form C-129 Revised August 1, 2011

(For Division Use Only)

District II 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410

HOBBS OCD Il Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 MAR 0 1 2018 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

Submit one copy to appropriate District Office NFO Permit No. \_\_

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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 COG Operating LLC , whose address is 2208 W. Main, Artesia, NM 88210 ,       |                                   |  |
|  |  |                                   |  |
|  | hereby requests an exception to Rule 19.15.1   | 8.12 for 90 days or until         |  |
|  | June 15 , Yr 2018 , for the following described tank battery (or LACT):                |                                   |  |
|  | Name of Lease Fascinator Fee   | Name of Pool Bone Spring          |  |
|  | Location of Battery: Unit Letter   | Section 19 Township 24S Range 35E |  |
|  | Number of wells producing into battery1:   | 30-025-43855                      |  |
| В.   | Based upon oil production of850barrels per day, the estimated * volume                 |                                   |  |
|  | of gas to be flared is1800   | MCF; Valueper day.                |  |
| C.   | Name and location of nearest gas gathering facility:                                   |                                   |  |
|  | Targa  |                                   |  |
|  |  |                                   |  |
| D.   | DistanceEstimated cost of connection   |                                   |  |
| E.   | This exception is requested for the following reasons: Unplanned midstream curtailment |                                   |  |
|  |  |                                   |  |
|  |  |                                   |  |
|  |  |                                   |  |
|  |  |                                   |  |
|  |  |                                   |  |
| OPERATOR I hereby certify that the rules and regulations of the Oil Conservation |  |                                   |  |
|  |  | Approved Until 5/31/2018          |  |
| Signature  | Cather Stepler   | N1 . 0                            |  |
|  |  | By Marley Stown                   |  |
| Printed Name & Title   | Cathy Scely/Engineering Tech   | Title AON II                      |  |
| E-mail Addres  | s cseely@concho.com  | Date 3/1/2018                     |  |
| Date 2/28/18   | Telephone No. 575-748-1549   |                                   |  |

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