

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87400
District IV
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)

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 RG EXPLORATION LLC,
whose address is PO BOX 5023, MIDLAND, TX 78705,
hereby requests an exception to Rule 19.15.18.12 for 180 days or until
DECEMBER 15TH, Yr 2018, for the following described tank battery (or LACT):
Name of Lease JADE 19 39 29 STATE COM Name of Pool NADINE; ABO EAST
Location of Battery: Unit Letter D Section 29 Township 19S Range 39E
Number of wells producing into battery 1 WELL
- B. Based upon oil production of 57 barrels per day, the estimated * volume
of gas to be flared is 9,000 MCF; Value \$93 per day.
- C. Name and location of nearest gas gathering facility:
Targa Midstream Services
- D. Distance 3 mi. Estimated cost of connection n/a
- E. This exception is requested for the following reasons: RG Exploration is testing a new well
that is recovering frac load water. The Targa gas system is currently at capacity and cannot
handle additional gas volume commitments. The next closest system is greater than 10 miles
away and is also full. Targa expects to have more capacity come Fall 2018 in order to take on
more gas volume commitments.

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 Ashley Noonan

Printed Name
& Title ASHLEY NOONAN, SR. REGULATORY ANALYST

E-mail Address ANOONAN@PROGRESSIVEPCS.NET

Date 07-17-2018 Telephone No. 303-309-1594

OIL CONSERVATION DIVISION

Approved Until 10-17-2018 (90 DAYS)

By Mary Brown

Title AO/I

Date 7/23/2018

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