District 1 1625 N. French Dr., Hobbs, NM 88240 HOBBS QCD State of New Mexico Minerals and Natural Resources

1000 Rio Brazos Road, Aztec, NM 87410

AUG 1 4 2018 Oil Conservation Division Santa Fe, NM 87505

Revised August 1, 2011

Form C-129

Submit one copy to appropriate

District IV 1220 S. St. Francis Dr., Santa Fe, NM 875 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)

Α. Applicant COG Operating LLC whose address is 2208 W. Main, Artesia, NM 88210 hereby requests an exception to Rule 19.15.18.12 for 90 , Yr ²⁰¹⁸, for the following described tank battery (or LACT): Name of Lease Salvador Fee #2H Name of Pool Bone Spring Location of Battery: Unit Letter O Section 10 Township 24S Range 34E Number of wells producing into battery 3:30-025-41065; 30-025-41538; 30-025-41064 Based upon oil production of 170 B. barrels per day, the estimated * volume of gas to be flared is 300 MCF; Value C. Name and location of nearest gas gathering facility: Targa Distance Estimated cost of connection D. Unplanned midstream curtailment - flare start E. This exception is requested for the following reasons: date: 8/14/18 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 Approved Until is true and complete to the best of my knowledge and belief. Signature Printed Name Title & Title Cathy Seely/Engineering Tech E-mail Address cscely@concho.com Date

Date 8/14/18

Telephone No. 575-748-1549

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