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 87410
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)   30-015-28635

A. Applicant ____Yates Petroleum Corporation____,

whose address is ___105 S Fourth Street   Artesia, NM 88210____,

hereby requests an exception to Rule 19.15.18.12 for ___90___ days or until

_____, Yr _____, for the following described tank battery (or LACT):

Name of Lease _Hanagan APL Federal Com #2H_ Name of Pool _Atoka & Morrow-Bone Spring_

Location of Battery: Unit Letter __G__ Section __31__ Township _19S_ Range _30E_

Number of wells producing into battery _1_ API #30-015-28635

B. Based upon oil production of ___142___ barrels per day, the estimated * volume

of gas to be flared is ___300 monthly___ MCF; Value _____ per day

C. Name and location of nearest gas gathering facility:

___DCP Midstream___

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DEC 07 2012
NMOCD ARTESIA

D. Distance _____ Estimated cost of connection _____

E. This exception is requested for the following reasons: _____

_due to abnormal system pressures in the DCP lines _____

The possibility to flare will not be consistent; therefore, the volume above can easily fluctuate.

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 _____

Printed Name
& Title ___Miriam Morales –Production Analyst___

E-mail Address _mmorales@yatespetroleum.com_

Date _2/6/12_   Telephone No. 575-748-1471

OIL CONSERVATION DIVISION

Approved Until ___March 31-2013___

By _____

Title ___Dist #Spewsr___

Date _12/10/2012_

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