District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410

State of New Mexico Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr.

Form C-129 Revised August 1, 2011

District Office

Submit one copy to appropriate

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505 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)

Santa Fe, NM 87505

XTO ENERGY INC. Applicant A. whose address is 200 N. LORAINE, STE. 800 MIDLAND, TX 79701 hereby requests an exception to Rule 19.15.18.12 for 14 May 31 , Yr 16 , for the following described tank battery (or LACT): Name of Pool Drinkard Name of Lease Dauron Location of Battery: Unit Letter E Section 1 Township 218 Range 37E Number of wells producing into battery _____1 Based upon oil production of ______ barrels per day, the estimated * volume B. 25 MCF; Value 350 per day. of gas to be flared is C. Name and location of nearest gas gathering facility: Targa Estimated cost of connection D. This exception is requested for the following reasons: Targa plant electrical problems E. API #30-025-06338 OIL CONSERVATION D **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 By Printed Name Title **Patty Urias** & Title Date E-mail Address patty_urias@xtoenergy.com 432-620-4318 5/17/16 Telephone No.

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