

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

State of New Mexico
Energy, Minerals and Natural Resources

Form C-129
Revised August 1, 2011

HOBBS OGD

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit one copy to appropriate
District Office

MAY 16 2016

NFO Permit No. _____
(For Division Use Only)

RECEIVED

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 XTO Energy Inc.

whose address is 500 W. Illinois, Suite 100, Midland, Texas 79701

hereby requests an exception to Rule 19.15.18.12 for 90 days or until

August 08, Yr 16, for the following described tank battery (or LACT):

Name of Lease Perla Negra Federal Com Name of Pool Lea Bone Spring

Location of Battery: Unit Letter M Section 24 Township 19S Range 34E

Number of wells producing into battery 4

B. Based upon oil production of 953 barrels per day, the estimated * volume

of gas to be flared is 31,500 MCF; Value est 350 mcf per day.

C. Name and location of nearest gas gathering facility:

Targa

D. Distance _____ Estimated cost of connection _____

E. This exception is requested for the following reasons: SI by Targa causing us to flare.

Following wells associated w/this battery:

PERLA VERDE 31 STATE #001H (025-42063) & PERLA VERDE 31 STATE #002H (025-41861)

PERLA VERDE 31 STATE #003H (025-41862) & PERLA VERDE 31 STATE #004H (025-41863)

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 Sherry Pack

Printed Name & Title Sherry Pack

E-mail Address sherry_pack@xtoenergy.com

Date 5/12/2016 Telephone No. 432-620-6709

OIL CONSERVATION DIVISION

Approved Until 8/8/2016

By Marys Brown

Title _____

Date 5/17/2016

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