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 Revised August 1, 2011 Submit one copy to appropriate

Form C-129

District Office

NFO Permit No. _______

(For Division O

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 COG Operating LLC whose address is One Concho Center, 600 West Illinois Avenue, Midland, TX 79707 hereby requests an exception to Rule 19.15.18.12 for 365 120 October 2_____, Yr _2013_, for the following described tank battery (or LACT): Name of Lease Kool Aid State Battery Name of Pool Empire; Glorieta, Yeso Location of Battery: Unit Letter B Section 24 Township 17S Range 28E Number of wells producing into battery __24___ Based upon oil production of ___510______ barrels per day, the estimated * volume B. of gas to be flared is 1000 MCF; Value per day. C. Name and location of nearest gas gathering facility: Distance _____ Estimated cost of connection _____ D. E. This exception is requested for the following reasons: Frontier currently is unable to accept all gas from the battery. As much gas as possible will be sold while flaring the excess. COG is currently looking into a second purchaser to sell the excess gas to. OIL CONSERVATION DIVISION **OPERATOR** I hereby certify that the rules and regulations of the Oil Conservation Approved Until And 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 DUDENIST & Title Brian Maiorino, Regulatory Analyst E-mail Address bmaiorino@concho.com

Telephone No. 432-221-0467

Date 10/02/12

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