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

v	(See Rule 19.15.18.12 NMAC	and Rule 19.15.7.37 NMAC)	* ** *********************************	
A.	Applicant <u>LRE Operating, LLC</u> ,			
	whose address is1111 Bagby Street Suite 4600 Houston, TX 77002			
	hereby requests an exception to Rule 19.15.18.12 for90days or until			
	, Yr, for the following described tank battery (or LACT):			
	Name of Lease Arco State #1 N	ame of Pool <u>Glorieta-Yeso</u>		
	Location of Battery: Unit LetterL	Section <u>24</u> Township <u>17S</u> R	ange <u>28E</u>	
	Number of wells producing into battery2_	Number of wells producing into battery 2		
В.	Based upon oil production of N/A barrels per day, the estimated * volume			
	of gas to be flared is 180	MCF; Value <u>N/A</u>	per day.	
C.	Name and location of nearest gas gathering facility:			
	Frontier Field Services			
D.	Distance N/A Estimated cost of connection N/A			
E.	. This exception is requested for the following reasons:			
	Requesting to flare due to Frontier's ina	bility to take gas.	RECEIVED	
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	ANNO NATI VI N. CONSIGNATORA N. A. A. (A) who we work the state of the		NMOCD ARTESIA	
OPERATOR I hereby certify that the rules and regulations of the Oil Conservation		OIL CONSERVATION DIVISION	2012	
	plete to the best of my knowledge and belief.	Approved Until	-0010	
Signature	Whi bis	By Cole		
Printed Name & Title Michael Barrett / Production Supervisor		Title UST HS	REWIR	
E-mail Address mbarrett@limerockresources.com		Date 10/30/20	12	
Date 10/29/2012 Telephone No. 575-623-8424				

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