District I   District I   District II   Form C-1     District II   ARTESIA DISTRICT   State of New Mexico   Form C-1     District II   Energy Minerals and Natural Resources   Revised August 1, 20     811.5   First St. Artesia NM 88210   August 1, 20	
AUG 1 0 2016 District III 1000 Rio Brazos Road, Aztec, NM 87410 AUG 1 0 2016 Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Submit one copy to appropria	ate
District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 RECEIVED NFO Permit No	
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 <u>Yates Petroleum Corporation</u> ,	
whose address is 105 S. Fourth Street, Artesia, NM 88210,	
hereby requests an exception to Rule 19.15.18.12 for <u>days or</u> until	
<u>August 1 – November 1</u> , Yr 2016, for the following described tank battery (or LACT):	
Name of Lease <u>Wolf AJA Federal #4</u> Name of Pool <u>Delaware</u>	
Location of Battery: Unit Letter <u>I</u> Section <u>25</u> Township <u>21S</u> Range <u>31E</u>	
API #4 30-015-26777 API #5 30-015-26816 API #7 30-015-26817 Number of wells producing into battery <u>4 wells, API #18H 30-015-39830</u>	
B. Based upon oil production of <u>207</u> barrels per day, the estimated * volume	
of gas to be flared is <u>346 +/- Daily</u> MCF; Value per day.	
C. Name and location of nearest gas gathering facility:	
D. DistanceEstimated cost of connection	
E. This exception is requested for the following reasons: <u>Requesting permission to flare due to high</u>	
levels of nitrogen entrained in the gas flow. The possibility of flare will not be consistent; therefore, the	
volume above can easily fluctuate.	
OPERATOR OIL CONSERVATION DIVISION	—
I hereby contify that the miles and reculations of the Oil Concernation	
Approved Until Accepted FOR RECORD By Accepted FOR RECORD By	_
Printed Name	
& Title <u>Tina Huerta, Regulatory Reporting Supervisor</u> E-mail Address <u>tinah@yatcspetroleum.com</u> Date <u>5101(p</u>	
Date: August 5, 2016 Telephone No: 575-748-4168	

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