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 (See Rule 19.15.18.12 NMAC and Rule 19.15.7.37 NMAC)

A. Applicant Read & Stevens, Inc.		
	whose address is <u>PO Box 1518, Roswell, NM 88202</u> , hereby requests an exception to Rule 19.15.18.12 for <u>3 months</u> days or until <u>May 15</u> , Yr <u>2018</u> , for the following described tank battery (or LACT):	
Name of Lease Hot Dog 23 Federal #2 & #4 Name of Pool Dog Canyo		A Name of Pool Dog Canyon, Grayburg
	Location of Battery: Unit Letter L Section 23 Township 16S Range 27E Number of wells producing into battery 2	
В.	Based upon oil production of <u>10</u> barrels per day, the estimated * volume	
	of gas to be flared is	MCF; Value \$2.7214 per mcf 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: Gas production on this lease is too small	
	to measure. Estimated 10 or less mcf per month.	
Battery is located on the Hot Dog 23 Federal #2 lease - API #30-015-38337		
Hot Dog 23 Federal #4 lease - API #30-015-40841		
OPERATOR I hereby certify that the rules and regulations of the Oil Conservation		OIL CONSERVATION DIVISION
	en complied with and that the information given above ete to the best of my knowledge and belief.	Approv
Signature Kullip (Barajas)		ACCEPTED FOR RECORD ByN.M.O.C.D. ONLY Title Date31518
Printed Name		Title
& Title <u>Kelly Barajas</u> , Production/Regulatory E-mail Address kbarajas@read-stevens.com		Date
Date 3/14/2018 Telephone No. 575-624-3760		

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