

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

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

Form C-129  
Revised October 15, 2009

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 Oxy USA Inc.  
whose address is 1017 W. Stanolind Rd. Hobbs NM 88242  
hereby requests an exception to Rule 19.15.18.12 for 7 days or until  
June 16, Yr 2011, for the following described tank battery (or LACT):  
Name of Lease Lost Tank 3-23 Name of Pool Lost Tank Delaware  
Location of Battery: Unit Letter \_\_\_\_\_ Section 3 Township 22S Range 31E  
Number of wells producing into battery Single well no battery
- B. Based upon oil production of 80 barrels per day, the estimated \* volume  
of gas to be flared is 1200 MCF; Value \_\_\_\_\_ per day.
- C. Name and location of nearest gas gathering facility:  
Hat Mesa Booster DCP.
- D. Distance \_\_\_\_\_ Estimated cost of connection \_\_\_\_\_
- E. This exception is requested for the following reasons: The natural gas purchaser for this well DCP is shutting in their Hat Mesa Booster Station to install new compression for their facility. During this time Oxy is going to be upsizing and upgrading its gas sales line to the Hat Mesa Booster to accommodate current and previous increase in production due to recent drilling activity. In an attempt to continue producing this well we wish to flare the gas, until the booster can be brought back on. Oxy realizes there is currently a high fire danger, and to mitigate this hazard, Oxy will clear a 75' area around all temporary flares, as well as have the sites manned during evening hours. Oxy will also have a water truck on station 24/7 during the flare. During the day time hours there are several construction crews working in the area that will be able to observe the flare site in case of an uncontrolled fire.

30-015-35354

**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 \_\_\_\_\_

Printed Name  
& Title Chancey Summers HES Specialist

E-mail Address chancey\_summers@oxy.com

**OIL CONSERVATION DIVISION**

Approved Until June 20 - 2011

By Reurs R Dade

Title Dist H Supervisor

Date 06/10/2011