District I
1625 N French Dr , Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 R10 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
District Office

(For Division Use Only)

Form C-129

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)

Α.	Applicant COG Operating LLC ,		
	whose address is 2208 W. Main Street, Artesia, NM 88210 ,		
	hereby requests an exception to Rule 19.15.18.12 for 60 days or until		
	, Yr, for the following described tank battery (or LACT):		
	Name of Lease		
	Location of Battery: Unit Letter <u>A</u> Section <u>28</u> Township <u>26S</u> Range <u>25E</u>		
	Number of wells producing into battery		
В.	Based upon oil production of barrels per day, the estimated * volume		
	of gas to be flared isMCFD; Value\$1000.00 (for gas)per day.		
C.	Name and location of nearest gas gathering facility:		
	Agave Pipeline		
D.	Distance 2.0 Miles Estimated cost of connection \$200,000		
E.	This exception is requested for the following reasons: Constructing pipeline		
	DECENTED		
	RECEIVED		
	MAY 3 9 2012		
	30-015-37645		NMOCD - TESIA
I hereby certify that the rules and regulations of the Oil Conservation		OIL CONSERVATION DIVISION	
Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.		Approved Until July 31 - 2012	
Signature Slow Jains		By ADade	
Printed Name & Title Stormi Davis, Regulatory Analyst		Title Drst II Sepenisor	
E-mail Address sdavis@concho.com		Date-June 5 - 2012.	
Date 5/29/12 Telephone No. 575-748-6946		see COA: 2 Page	

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

NEW MEXICO OIL CONSERVATION DIVISION DISTRICT 2 OFFICE 811 SOUTH FIRST STREET ARTESIA, NM 88210 (575)748-1283

CONDITIONS OF APPROVAL for FLARING or VENTING GAS

- 1. Venting gas is absolutely not allowed.
- **2.** Prior to flaring gas, C-129 must be filed & approved. Blanket approval cannot be given for this operation.
- **3.** Flared volumes of gas are to be metered & reported.
- **4.** Flares WILL be manned at all times. Brush should be cut down to 1 or 2 inches around flare stack at least a radial distance of 2 times the height of the flare stack.
- **5.** Flares WILL NOT be left unattended.
- **6.** No flaring operations to be conducted during red-flag days. http://www.gacc.nifc.gov/swcc (go to "Predictive Services" on SWCC website) to check for red flag warnings.
- 7. Follow safe practices for flaring guidelines.
- **8.** Permit may be rescinded at any time by NMOCD.
- **9.** If well is able to be connected to a gas gathering system, it will be done so as soon as possible.

Your initials here

AD 06/05/2012