

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 DEVON ENERGY PRODUCTION CO., LP 015-39819
015-39896
015-39994
015-40012
whose address is 333WEST SHERIDAN AVENUE, OKLAHOMA CITY, OK 73102

hereby requests an exception to Rule 19.15.18.12 for additional 90 days or until _____, Yr _____, for the following described tank battery (or LACT):

Name of Lease Shaqtus 26 State Name of Pool Lost Tank; Delaware

Location of Battery: Unit Letter D Section 35 Township 21S Range 31E

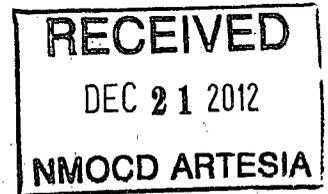
Number of wells producing into battery 4

B. Based upon oil production of 2000 barrels per day, the estimated * volume of gas to be flared is 1600 MCF; Value _____ per day.

C. Name and location of nearest gas gathering facility:

D. Distance _____ Estimated cost of connection _____

E. This exception is requested for the following reasons: At the moment, pressure rating of the pipeline segments are insufficient to take all the produced gas in the area. Requesting flare permission for excess gas until alternate gas markets can be accessed or pipeline infrastructure improvements are completed. Total gas deliverability at this battery is in excess of 2MMCFD; Devon will flare only as much as required to avoid over-pressuring the pipeline.



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 [Signature]

Printed Name & Title David H. Cook, Regulatory Specialist

E-mail Address: david.cook@dvn.com

Date 12/19/2012 Telephone No. 405-552-7848

OIL CONSERVATION DIVISION

Approved Until March 31 - 2013

By [Signature]

Title DIST II SUPERVISOR

Date 12/21/2012

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