

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

RECEIVED

JAN 07 2013

NMOCD ARTESIA

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
220 South St. Francis Dr.
Santa Fe, NM 87505

HOBBS OCD

DEC 28 2012

Form C-129
Revised June 10, 2003

Submit 3 Copies to appropriate
District Office

NFO Permit No. **RECEIVED**

(For Division Use Only)

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

(See Rule 306 and Rule 1129)

A. Applicant XTO ENERGY INC.

whose address is 200 N. LORAIN, STE. 800 MIDLAND, TX 79701

hereby requests an exception to Rule 306 for 14 days or until

JANUARY 7, Yr 13, for the following described tank battery (or LACT):

Name of Lease NASH UNIT Name of Pool NASH DRAW; DELAWARE/BS (AVALON)

Location of Battery: Unit Letter F Section 14 Township 23S Range 29E

Number of wells producing into battery 3

B. Based upon oil production of 245 barrels per day, the estimated * volume
of gas to be flared is 42,000 MCF; Value 3.0 MCF per day.

C. Name and location of nearest gas gathering facility:

DCP - LOVING, NM

D. Distance _____ Estimated cost of connection _____

E. This exception is requested for the following reasons: DCP PLANT PROBLEMS

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 Sherry Pack

Printed Name
& Title Sherry Pack

E-mail Address sherry.pack@xtoenergy.com

Date 12-26-12 Telephone No. 432.620.6709

OIL CONSERVATION DIVISION

Approved Until 1/7/13

By Russ P. Dade

Title Dist. Office Supervisor

Date 1/7/13

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