

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 Company, L.P.,
whose address is 333 West Sheridan Avenue, Oklahoma City, OK 73102,
hereby requests an exception to Rule 19.15.18.12 for 90 days or until
N/A, Yr N/A, for the following described tank battery (or LACT):

Name of Lease Regulus 26 Federal 5H Name of Pool Lusk; Bone Spring, West

Location of Battery: Unit Letter A Section 26 Township 19S Range 31E

Number of wells producing into battery 1 Well; Regulus 26 Federal 5H (30-015-42489)

B. Based upon oil production of 1200 barrels per day, the estimated * volume
of gas to be flared is 300 MCF; Value _____ per day.

C. Name and location of nearest gas gathering facility:

NM OIL CONSERVATION
ARTESIA DISTRICT

JUN 1 2015

D. Distance _____ Estimated cost of connection _____ RECEIVED

E. This exception is requested for the following reasons: _____

Well has gone sour; flaring is needed during treatment period to return well to production.

We are requesting 90 days to start May 20, 2015 through August 18, 2015.

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 Sara Cook

Printed Name
& Title Sara Cook, Regulatory Compliance Associate

E-mail Address sara.cook@dvn.com

Date 5/20/2015 Telephone No. 405-228-8960

OIL CONSERVATION DIVISION

Approved Until Aug 18, 2015

By [Signature]

Title District Supervisor

Date 6/3/2015

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

Regulus 26 Fed 5H
30-015-42489
Devon Energy Production Co.
May 27, 2015
Conditions of Approval

1. Report all volumes on OGOR B as disposition code 08.
2. Comply with NTL-4A requirements
3. Subject to like approval from NMOCD
4. Flared volumes will still require payment of royalties
5. Install gas meter on vent/flare line to measure gas prior to venting/flaring operations if it is not equipped as such at this time. Gas meter to meet all requirements for sale meter as Federal Regulations and Onshore Order #5. Include meter serial number on sundry.
6. This approval does not authorize any additional surface disturbance.
7. Submit updated facility diagram as per Onshore Order #3.
8. Approval not to exceed 90 days for date of approval.
9. Submit Subsequent Report to this sundry with actual volumes of gas flared monthly on 3160-5 (sundry notice).
10. If flaring is still required past 90 days submit new request for approval.
11. If a portable unit is used to flare gas it must be monitored at all times.
12. Comply with any restrictions or regulations when on State or Fee surface.

052715 JAM