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

NM OIL CONSERVATION
ARTESIA DISTRICT
JUL 25 2016
RECEIVED

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 Yates Petroleum Corporation,

whose address is 105 S. Fourth Street, Artesia, NM 88210,

hereby requests an exception to Rule 19.15.18.12 for _____ ~~days or~~ until

July 18 - August 28, Yr 2016, for the following described tank battery (or LACT):

Name of Lease Balsam BNL Federal Com #1H Name of Pool Bone Spring

Location of Battery: Unit Letter A Section 8 Township 24S Range 29E

Number of wells producing into battery 1 well, API #30-015-37035

B. Based upon oil production of 4 barrels per day, the estimated * volume

of gas to be flared is 62 +/- Daily 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: Requesting permission to flare due to Agave compressor problems. The possibility of flare will not be consistent; therefore, the volume above can easily fluctuate.

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 (Tina Huerta)

Printed Name & Title Tina Huerta, Regulatory Reporting Supervisor

E-mail Address tinah@yatespetroleum.com

Date: July 18, 2016 Telephone No: 575-748-4168

OIL CONSERVATION DIVISION

Approved Until _____

Accepted For Record
NMOCD AB

By _____

Title _____

Date 7/26/16

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