MM OIL CONSERVATION

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

ARTESIA DISTRICT Form C-129 MAR U 8 2017 Revised August 1, 2011 Submit one copy to appropriate
District Office

NFO Permit No. RECEIVED

(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 EOG Y Resources, Inc.	
	whose address is 105 S. Fourth Street, Artesia, NM 88210	
	hereby requests an exception to Rule 19.15.1	8.12 fordays or until
	March 16 - June 14, Yr 2017, for the following described tank battery (or LACT):	
	Name of Lease <u>Lechuza BQC Federal 1H</u> Name of Pool <u>Bone Spring</u>	
	Location of Battery: Unit Letter A Section	on <u>35</u> Township <u>26S</u> Range <u>28E</u>
	Number of wells producing into battery 1 well, API #1H 30-015-38522	
В.	Based upon oil production of barrels per day, the estimated * volume	
	of gas to be flared is <u>33 +/- Daily</u> MC	F; Valueper day.
C.	Name and location of nearest gas gathering facility:	
D.	DistanceEstimated cost of connection	
E.	This exception is requested for the following reasons: Requesting permission to flare due to high H2S in Agave lines and will only be flaring as needed. The possibility of flare will not be consistent; therefore, the volume above can easily fluctuate. Flaring will be at the Buho BQH State #1H location.	
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.		OIL CONSERVATION DIVISION
		Approved Until
Signature (Mi)Mean		Approved Until By_ ACCEPTED FOR RECORD N.M.O.C.D. Title
		By_ ACCEPTE.M.O.C.
Printed Name & Title <u>Carrissa M. O'Meara, Asst. Production Accounting</u>		Title _
E-mail Address Carrissa OMeara@eogresources.com		Date
Date: March 7, 2017 Telephone No: 575-748-4203		
Gas-Oil ratio test may be required to verify estimated gas volume.		