

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

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

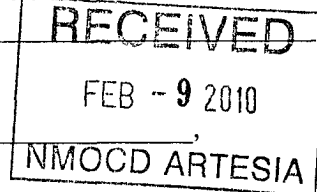
Form C-129  
Revised October 15, 2009

Submit one copy to appropriate  
District Office

NFO Permit No. 2-1021  
(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. 4<sup>th</sup> Street  
hereby requests an exception to Rule 19.15.18.12 for 365 days or until  
p/l connected, Yr       , for the following described tank battery (or LACT):  
Name of Lease Draw BJL St. #1 Name of Pool Bone Springs  
Location of Battery: Unit Letter K Section 36 Township 25S Range 29E  
Number of wells producing into battery (1)
- B. Based upon oil production of 20 barrels per day, the estimated \* volume  
of gas to be flared is 400 mcf per month MCF; Value        per day.
- C. Name and location of nearest gas gathering facility:  
Southern Union
- D. Distance 1 mile Estimated cost of connection
- E. This exception is requested for the following reasons:  
Waiting on ROW for pipeline connect..

**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 Michelle Taylor

Printed Name  
& Title Michelle Taylor - Reg. Compl. Mgr.

E-mail Address Michelle@yatespetroleum.com

Date 2-8-10 Telephone No. (575) 748-4205

**OIL CONSERVATION DIVISION**

Approved Until FEB 08 2011

By        Signed By Mike Demaree

Title Gen. Spec.

Date FEB 10 2010

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