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

HOBBS OCD
AUG 13 2013
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 90 days or until

_____, Yr _____, for the following described tank battery (or LACT):

Name of Lease Berry APN State #2 Name of Pool Delaware- Bone Spring

Location of Battery: Unit Letter M Section 5 Township 21S Range 34E

Number of wells producing into battery 1 API #30-025-40374

B. Based upon oil production of 121 barrels per day, the estimated * volume

of gas to be flared is 850 +/- monthly MCF; Value _____ per day.

C. Name and location of nearest gas gathering facility:

DCP Midstream

D. Distance _____ Estimated cost of connection _____

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

due to abnormal system pressures in the DCP lines

The possibility to 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 Miriam Morales

Printed Name & Title Miriam Morales –Production Analyst

E-mail Address mmorales@yatespetroleum.com

Date 8/12/13 Telephone No. 575-748-1471

OIL CONSERVATION DIVISION

Approved Until 11-20-2013

By _____

Title DIST MGR

Date 8-15-2013

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

AUG 15 2013