

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 87515

**HOBBS OCD**  
**DEC 17 2014**  
**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)

- 30-025-40604
- A. Applicant Caza Operating, LLC OGRID # 249099,  
whose address is 200 North Loraine, Suite 1550, Midland, Texas 79701,  
hereby requests an exception to Rule 19.15.18.12 for 60 days or until  
February 15th, Yr 2015, for the following described tank battery (or LACT):  
Name of Lease Igloo 19 State # 2H Name of Pool Lea; Bone Springs South  
Location of Battery: Unit Letter A Section 19 Township 20 S Range 35 E  
Number of wells producing into battery 1 well into temporary facility
- B. Based upon oil production of 500 bbls barrels per day, the estimated \* volume  
of gas to be flared is 250 MCF; Value \$1,125 per day.
- C. Name and location of nearest gas gathering facility:  
Targa Midstream
- D. Distance 1.5 miles Estimated cost of connection \$250,000
- E. This exception is requested for the following reasons: Caza Operating is currently  
executing a gas contract with Targa Mid Stream. They have filed a ROW and  
should have Line in place by Mid January. Caza deems it necessary to produce  
the well to remove frac fluids from the formation.

<b>OPERATOR</b> 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 <u>Richard Wright</u> Printed Name & Title <u>Richard Wright</u> E-mail Address <u>rwright@cazapetro.com</u> Date <u>12-9-2014</u> Telephone No. <u>432 682 7424</u>	<b>OIL CONSERVATION DIVISION</b> Approved Until <u>Feb 15, 2015</u> By <u>Bill Sawawak</u> Title <u>Staff Manager</u> Date <u>12/18/2014</u>
--	--

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

DEC 24 2014