

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

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)

FEB 10 2015

- A. Applicant LRE Operating, LLC,  
whose address is 1111 Bagby Street Suite 4600 Houston, TX 77002,  
hereby requests an exception to Rule 19.15.18.12 for 5 days or until \_\_\_\_\_, Yr \_\_\_\_\_, for the following described tank battery (or LACT):  
Name of Lease Nowata AGR State Battery Name of Pool Vacuum; Bone Spring, MID  
Location of Battery: Unit Letter P Section 09 Township 18S Range 35E  
Number of wells producing into battery 2
- B. Based upon oil production of N/A barrels per day, the estimated \* volume of gas to be flared is 230 MCF; Value N/A per day.
- C. Name and location of nearest gas gathering facility:  
Targa Midstream Services, LLC (Monument Plant)
- D. Distance N/A Estimated cost of connection N/A
- E. This exception is requested for the following reasons: \_\_\_\_\_  
Due to Targa Force Majerure Event – Scheduled Maintenance (3/2/15 – 3/7/15)

**\*\*Wells in battery: Nowata AGR State #1 (30-25-31244) & Nowata AGR State #2 (30-25-31966)\*\***

**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 \_\_\_\_\_

Printed Name

& Title Michael Barrett

E-mail

Address mbarrett@limerockresources.com

Date 02-06-15

Telephone No. 575-623-8424

**OIL CONSERVATION DIVISION**

Approved Until 2/13/2015

By \_\_\_\_\_

Title Dist. Supervisor

Date 2/18/2015

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

FEB 18 2015



February 5, 2015

LRE OPERATING LLC  
PMEALAND@LIMEROCKRESOURCES.COMSUBJECT: Scheduled Maintenance Outage  
Force Majeure Event – Versado Gas Processors, L.L.C. (“Versado”)  
Monument Plant – March 2, 2015 through March 6, 2015NOTE: **PLEASE ENSURE THAT THIS LETTER IS DELIVERED ASAP TO THE  
APPROPRIATE DEPARTMENT/PERSON WITHIN YOUR COMPANY**

Dear Contract Party / Operator:

Versado's Monument Gas Processing Plant (“Monument Plant”) will shut down for approximately five (5) days to perform maintenance on the Monument Plant itself and its related facilities. Such activities will include replacement of VOC valves, PSV testing, repair to sub-station main breaker, cleaning of amine contactor, change-out of mole sieves, and replacement of the FL-101 flare tip. **Unless notified to do so at an earlier time by a Versado field representative, Versado is requiring all producers to cease deliveries to Versado of their natural gas production serviced by the Monument Plant by 9:00 a.m. MST on March 2, 2015.** Under the terms of your contract(s) with Versado relevant to the processing of gas at the Monument Plant, this is a force majeure event. You will be informed by Versado when the maintenance work has been completed and your deliveries to Versado can be resumed.

Versado notes that in order to minimize difficulties for your company and other parties whose gas is processed at the Monument Plant, we are scheduling our planned maintenance activities to roughly coincide with certain pipeline maintenance activities of El Paso Natural Gas Company that will (regardless of Versado's actions) result in a disruption of residue gas transportation from the plant tailgate.

The New Mexico Environment Department's (“NMED”) Air Quality Bureau prohibits Versado from flaring gas for routine maintenance events. Should you continue deliveries of gas to the Monument Plant during this force majeure event, Versado will be required to shut in any such delivery point. In such case, if any gas is delivered at a delivery point during the shutdown, regardless of whether Versado has or has not shut in such delivery point, Versado will zero the volumetric readings for any delivery point recording flow during this force majeure event.

Versado takes its environmental obligations very seriously. Consequently, Versado appreciates your cooperation in this matter to help us all comply with such obligations.

If you have any questions regarding wells involved, you may contact Robert Kunco at (713) 584-1370 or email him at [rkunco@targaresources.com](mailto:rkunco@targaresources.com). If you have questions regarding details of the actual event, contact Bill Little at (575) 394-2534 ext 226 or email him at [blittle@targaresources.com](mailto:blittle@targaresources.com).

Very truly yours,

Clark White  
Senior Vice President  
Targa Midstream Services LLC,  
as Operator of Versado Gas Processors, L.L.C.Copy: Robert Kunco  
Bill Little  
Targa Gas Control Group

Targa Contract No(s): 024715