

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)

HOBBS OGD

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  
November 1<sup>st</sup>, Yr 2015, for the following described tank battery (or LACT):

AUG 06 2015

RECEIVED

Name of Lease Undaunted BSD State Com #1 Name of Pool Lower Bone Spring

Location of Battery: Unit Letter \_\_\_\_\_ Section 2 Township 25S Range 32E

Number of wells producing into battery API #30-025-40408

B. Based upon oil production of 104 barrels per day, the estimated \* volume  
of gas to be flared is 106 +/- Daily MCF; Value \_\_\_\_\_ per day.

C. Name and location of nearest gas gathering facility:

Agave

D. Distance \_\_\_\_\_ Estimated cost of connection \_\_\_\_\_

E. This exception is requested for the following reasons: \_\_\_\_\_

Requesting permission to flare due to abnormal system pressures in Agave lines.  
The possibility of 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 Julie Steele

Printed Name  
& Title Julie Steele - Production Analyst

E-mail Address JSteele@yatespetroleum.com

Date 7-30-2015 Telephone No. 575-748-4208

#### OIL CONSERVATION DIVISION

Approved Until 11/6/2015

By Marys Brown

Title Dist Supervisor

Date 8/6/2015

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

AUG 11 2015