

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

HOBBS
OCT 21 2015
RECEIVED

No. _____
NFO Permit (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 GMT Exploration Co LLC
whose address is 1560 Broadway Suite 2000 Denver CO 80202
hereby requests an exception to Rule 19.15.18.12 for 11 days or until
November 2, Yr 2015, for the following described tank battery (or LACT):
Name of Lease Pirate State 1H Name of Pool Red Hills; Bone Spring North
Location of Battery: Unit Letter 0 Section 16 Township 24S Range 34E
Number of wells producing into battery 1 - Pirate State 1H (30-025-40566)
- B. Based upon oil production of 100 barrels per day, the estimated * volume
of gas to be flared is 2640 MCF; Value 240 MCF per day.
- C. Name and location of nearest gas gathering facility:
Agave Red Hills
- D. Distance _____ Estimated cost of connection _____
- E. This exception is requested for the following reasons: Our Purchaser, Agave, will be conducting planned maintenance on their Red Hills plant & will be off line starting Oct 22, 2015 returning Nov. 2, 2015 therefore we have no where for our gas to go.

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 [Signature]

Printed Name & Title Marissa Walters / geotech

E-mail Address MWalters@gmtexploration.com

Date 10/21/15 Telephone No. 303.582.9275

OIL CONSERVATION DIVISION

Approved Until 11/6/2015

By Maureen Brown

Title Dist. Supervisor

Date 10/21/2015

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

OCT 22 2015