

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

DEC 04 2015

whose address is 105 S. Fourth Street Artesia, NM 88210

RECEIVED

hereby requests an exception to Rule 19.15.18.12 for 180 90 days days or until

May 2, Yr 2015, for the following described tank battery (or LACT):

Name of Lease Warrior BRW State Com #1H Name of Pool Wildcat; Bone Spring (Oil)

Location of Battery: Unit Letter D Section 28 Township 23S Range 35E

Number of wells producing into battery API #30-025-40220

B. Based upon oil production of 240 barrels per day, the estimated * volume

of gas to be flared is 250 +/- Daily MCF; Value N/A per day.

C. Name and location of nearest gas gathering facility:

Regency

D. Distance Approx 1 Mile South Estimated cost of connection _____

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

Requesting Permission to Flare for 6 months until Regency can complete Pipeline.

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 Garrett Sanders - Production Analyst

E-mail Address GSanders@yatespetroleum.com

Date 12-02-15

Telephone No. 575-748-4208

OIL CONSERVATION DIVISION

Approved Until 3/2/2016

By _____

Title _____

Date _____

DEC 11 2015

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