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

HOBBS OCD
DEC 09 2015
RECEIVED

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)

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

March 30, Yr 2016, for the following described tank battery (or LACT):

Name of Lease Jefe BSJ Federal Com #1H Name of Pool Wildcat

Location of Battery: Unit Letter _____ Section 32 Township 25S Range 32E

Number of wells producing into battery API# 30-025-40722

B. Based upon oil production of 64 barrels per day, the estimated * volume

of gas to be flared is 49 +/- 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	OIL CONSERVATION DIVISION
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.	Approved Until 3/6/2016
Signature Garrett Sanders	By Maley Brown
Printed Name & Title Garrett Sanders – Production Analyst	Title _____
E-mail Address GSanders@yatespetroleum.com	Date 12/9/2015
Date 12-06-2015 Telephone No. 575-748-4208	

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

DEC 11 2015