

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

HOBBS OGD  
JUN 03 2016  
RECEIVED

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)

- A. Applicant NEMO Fund I, LLC (OGRID 310809),  
whose address is 901 West Missouri, Suite 901, Midland, Tx 79701,  
hereby requests an exception to Rule 19.15.18.12 for 90 days or until  
August 9, Yr 2016, for the following described tank battery (or LACT):  
Name of Lease Williams 12-4H State #1H Name of Pool Crossroads; San Andres, East  
Location of Battery: Unit Letter A Section 12 Township 10 S Range 36 E  
Number of wells producing into battery 1
- B. Based upon oil production of 230 barrels per day, the estimated \* volume  
of gas to be flared is 357 MCF; Value \$0.00 per day.
- C. Name and location of nearest gas gathering facility:  
Targa
- D. Distance 1/2 Mile Estimated cost of connection \$10,000
- E. This exception is requested for the following reasons: To allow the operator time to either:  
1) negotiate a gas sales contract with Targa (negative value per MCF), or  
2) evaluate the installation/use of combustors to internally combust gas production  
API # 30-025-42726

<b>OPERATOR</b> 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 <u>D. Holcomb</u> Printed Name & Title <u>Danny J. Holcomb - Agent</u> E-mail Address <u>danny@pwillc.net</u> Date <u>6/2/2016</u> Telephone No. <u>806-471-5628</u>	<b>OIL CONSERVATION DIVISION</b> Approved Until <u>9/2/2016</u> By <u>Marys Brown</u> Title _____ Date <u>6/2/2016</u>
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\* Gas-Oil ratio test may be required to verify estimated gas volume.