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

HOBBS OCI20 South St. Francis Dr. Santa Fe, NM 87505

Form C-129 Revised August 1, 2011

Submit one copy to appropriate District Office

2016

SEP 28 2016

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)

| А. | whose address is <u>7250 Dallas Parkway, Ste. 1400, Plano, TX 75024</u> , | |
|--|---|---|
| | | |
| | hereby requests an exception to Rule 19.15.18.12 for days or until <u>January 7</u> , | |
| | , Yr <u>2017</u> , for the following described tank battery (or LACT): | |
| | Name of Lease Jackson Unit 33H (30-025-42076) Name of Pool Triple X; Bone Spring, West | |
| | Location of Battery: Unit Letter <u>B</u> S | ection <u>16</u> Township <u>24S</u> Range <u>33E</u> |
| | Number of wells producing into battery1 | |
| В. | Based upon oil production of <u>60</u> barrels per day, the estimated * volume | |
| | of gas to be flared isMCF | ; Value \$160 per day. |
| C. | Name and location of nearest gas gathering facility: | |
| | Frac Cat Compressor Station, Lea County, NM | |
| D. | DistanceEst | imated cost of connection |
| E. | This exception is requested for the following reasons: <u>Intermittent curtailment by Agave due to</u> compressor maintenance. Well shut in at this time may damage formation and reduce future production. | |
| 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 1/7/2017 |
| Signature <u>4</u> | | By Makey Brown |
| Printed Name | | |

Title

Date

9

Printed Name

& Title Gary Cooper, Vice President Operations

Email Address rcooper@jdmii.com

Date 9/23/16 Telephone No. 972-931-0700

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