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

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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 BC OPERATING, INC. (160825),

whose address is P.O. BOX 50820, MIDLAND, TX 79710,

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

_____, Yr _____, for the following described tank battery (or LACT):

Name of Lease API#30-025-43095 MAMMOTH 1 FEDERAL #1H Name of Pool JABALINA; DELAWARE, SW

Location of Battery: Unit Letter P Section 1 Township 26S Range 34E

Number of wells producing into battery 1

B. Based upon oil production of 400 barrels per day, the estimated * volume

of gas to be flared is 400 MCF; Value $1,200 per day.

C. Name and location of nearest gas gathering facility:

LUCID ENERGY DELAWARE, LLC - MAMMOTH 1 FEDERAL #1H SALES POINT

D. Distance 0' Estimated cost of connection $200,000

E. This exception is requested for the following reasons:

WAITING FOR GAS CONNECT FROM LUCID ENERGY

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 2/1/2017
Signature Sarah Presley	By Maxey S Brown
Printed Name & Title SARAH PRESLEY REGULATORY ANALYST	Title Dist. Supervisor
E-mail Address SPRESLEY@BCOPERATING.COM	Date 11/2/2016
Date 11/1/2016 Telephone No. 432-684-9696	

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