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 OCD
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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 MATADOR PRODUCTION COMPANY,

whose address is 5400 LBJ FREEWAY, STE 1500, DALLAS, TX 75240,

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

2/12, Yr 2016, for the following described tank battery (or LACT):

Name of Lease Cal Mon 15 State #2 Name of Pool Mescalero;Bone Spring

Location of Battery: Unit Letter C Section 15 Township 18S Range 33E

Number of wells producing into battery 1 (30-025-30674)

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

of gas to be flared is _____ MCF; Value _____ per day.

C. Name and location of nearest gas gathering facility:

Aka Energy Group (Frontier)

D. Distance _____ Estimated cost of connection _____

E. This exception is requested for the following reasons: Frontier will not accept gas which has high nitrogen percentage (>4%); the gas from this well exceeds the maximum limit. Requesting permission to flare gas.

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 Ava Monroe

Printed Name & Title Ava Monroe, Sr. Engineering Technician

E-mail Address amonroe@matadorresources.com

Date 11/8/16 Telephone No. 972-371-5218

OIL CONSERVATION DIVISION

Approved Until 2/12/2017

By Maley S Brown

Title Dist Supervisor

Date 11/10/2016

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