

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

Form C-129  
Revised August 1, 2011

Submit one copy to appropriate  
District Office

HOBBS OGD

SEP 11 2017

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 MANZANO, LLC

whose address is P.O. BOX 1737 – ROSWELL, N M 88202

hereby requests an exception to Rule 19.15.18.12 for 90 ~~365~~ days or until

SEPTEMBER 1, Yr 2018, for the following described tank battery (or LACT):

Name of Lease BROWN EYE GIRL 5 FEE Name of Pool CLR:SAN ANDRES

30-041-20970

Location of Battery: Unit Letter M Section 32 Township 6 S Range 34 E

Number of wells producing into battery 1

B. Based upon oil production of 250 barrels per day, the estimated \* volume  
of gas to be flared is 300 MCF; Value \$150 per day.

C. Name and location of nearest gas gathering facility:

Stakeholder Gas Services – Lovington Plant

D. Distance 18 Estimated cost of connection \$5,400,000

E. This exception is requested for the following reasons: Targa is nearest system but is unwilling  
to take this very poor quality gas (15-20% CO2/5-10% N2). Stakeholder Gas Sevices is planning  
on building a gathering system and a processing plant that can process this gas but it will be at least  
one year before they will be able to build the system to gather & process this 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 Mike Hanagan

Printed Name  
& Title MIKE HANAGAN, MANAGER

E-mail Address mike@manzanoenergy.com

Date 9/7/17 Telephone No. 575-623-1996 310

**OIL CONSERVATION DIVISION**

Approved Until 12/7/2017

By Mary Brown

Title AD/II

Date 9/11/2017

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