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 **HOBBS OCD**
1220 South St. Francis Dr.
Santa Fe, NM 87505
JAN 2 9 2018
NFO Permit No. _____
RECEIVED

Form C-129
Revised August 1, 2011

Submit one copy to appropriate
District Office

(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 ___R G Exploration, LLC_____,

whose address is _10 Desta Drive, Suite 260E, Midland, Texas 79705_____,

hereby requests an exception to Rule 19.15.18.12 for _~~180~~ **90**_____days or until

_August 1,_____, Yr _2018__, for the following described tank battery (or LACT):

Name of Lease ___SCHUBER 18 4H_____Name of Pool Nadine: San Andres, Northeast
19

Location of Battery: Unit Letter ____O____Section __18__Township _19S__Range _____39E_

Number of wells producing into battery _____1_____

B. Based upon oil production of _____24_____barrels per day, the estimated * volume

of gas to be flared is _____113_____MCF; Value _____per day.

C. Name and location of nearest gas gathering facility: 30.025-43365

_____DCP_____

D. Distance _____2-5 miles_____Estimated cost of connection _____

E. This exception is requested for the following reasons: ___Closest facility is TARGA, however, they will
not accept gas because the Nitrogen content is above their threshold. Negotiations are underway with DCP to
connect this well along with companion well Jade 1H that is being drilled and will be completed within the time
frame sought for exemption.

_____

_____

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 **4/24/2018**
Signature _[signature]_	By _[signature] Mary Brown_
Printed Name & Title ___Alan Castetter, Regulatory Counsel_____	Title __AO/II__
E-mail Address___us-legal@att.net_____	Date __1/29/2018__
Date 1/24/2018 Telephone No. 512-892-8930	

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