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 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 30 (beginning 11/19/18) days or until

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

Name of Lease Ranger State 33 TB Name of Pool Grama Ridge; Bone Spring North

Location of Battery: Unit Letter D Section 33 Township 20S Range 35E

Number of wells producing into battery (3) 30-025-41113;30-025-42353; 30-025-44012

B. Based upon oil production of 550 barrels per day, the estimated * volume

of gas to be flared is 400 MCF; Value _____ per day.

C. Name and location of nearest gas gathering facility:

Targa - Monument Plant

D. Distance _____ Estimated cost of connection _____

E. This exception is requested for the following reasons: Force Majeure: Gas sales line shut in for upgrades to purchaser's (Targa) plant.

| 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 12/19/2018 |
| Signature Ava Monroe | By |
| Printed Name & Title Ava Monroe, Sr. Engineering Tech | Title Petroleum Engineer |
| E-mail Address amonroe@matadorresources.com | Date 01/14/19 |
| Date 11/20/18 Telephone No. 972-371-5218 | |

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