

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

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)

OIL CONS. DIV DIST. 3

- A. Applicant Thompson Engineering and Production,
whose address is 7415 E. Main St., Farmington, NM 87402,
hereby requests an exception to Rule 19.15.18.12 for 30 days or until
September 15, Yr 2017, for the following described tank battery (or LACT):
Name of Lease Federal D #4 Name of Pool S. Bisti Gallup
Location of Battery: Unit Letter A Section 10 Township 23N Range 9W
Number of wells producing into battery _____
- 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:

- D. Distance _____ Estimated cost of connection _____
- E. This exception is requested for the following reasons: Encana has advised TEPC that they plan to frac their Nageezi Unit #406H well on August 11, 2017. This well may be impacted by the offsetting frac job. A flow back tank will be set and monitored 24 hrs/day to contain any well and frac fluids.

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 Paul C. Thompson

Printed Name
& Title Paul C. Thompson, P.E., President

E-mail Address paul@walsheng.net

Date 7-7-17 Telephone No. 505-327-4892

OIL CONSERVATION DIVISION

Approved Until September 15 2017

By Chuck Kern

Title SUPERVISOR DISTRICT #3

Date 7-10-17

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

AV