Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

NFO Permit

Form C-129 Revised August 1, 2011

Submit one copy to appropriate District Office

NMOCD

JUN 2 9 2018

DISTRICT III

3

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: Enduring Resources, LLC

whose address is: <u>332 Cr 3100, Aztec, NM 87410</u>,

hereby requests an exception to Rule 19.15.18.12 <u>8/9/18</u>, for the following described tank battery (or LACT):

Name of Lease: Chaco 2308-14E #152H API-30-045-35504 Name of Pool: Nageezi Gallup

Location of Battery: Unit Letter <u>E</u>____Section <u>14</u>___Township <u>23N</u>__Range <u>8W</u>___

Number of wells producing into battery 2

B. Based upon oil production of <u>32</u> barrels per day, the estimated volume

of gas to be flared is <u>341 MCF/D</u>; Value: <u>\$1020</u> per day.

C. Name and location of nearest gas gathering facility:

Beeline, Sec 16, T23N, R08W

D. Distance ____BUILT ____Estimated cost of connection _____

FLARE EXTENSION

E.

Enduring Resources requests authorization to flare the <u>Chaco 2308-14E #152H</u> if a potential cross flow event may occur as a result of a nearby Frac activity on the **Heros 2308 09L Com 2H (30-045-35687)**, **3H (30-045-35848)**, **4H (30-045-35847)**, **& 5H (30-045-35877)**. If a cross flow event on the wells results in nitrogen content above Williams pipeline standards, flaring may begin as soon as 7/9/18 for 30 days, given approval.

A gas sample will be collected upon the confirmation of the cross flow and sent to a third party for results of the gas analysis. The gas analysis will be submitted upon receipt.

| 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 8.9-2018 |
| Signature | By Chark Hern |
| Printed Name & Title: LACEY GRANILLO- Permit Specialist | Title SUPERVISOR DISTRICT #3 |
| E-mail Address: lgranillo@enduringresources.com | Date 7-2-18 |
| Date: 0 38/ A Telephone No. (505) 636-9743 | · · · · · · · · · · · · · · · · · · · |
| Case Oil antic test may be required to you'fly estimated and yolymp | |

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

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via email transmission - afelix@enduringresources.com

June 19, 2018

Enduring Resources, LLC Attn: Andrea Felix 1050 17th Street, Suite 2500 Denver, CO 80265

> RE: Notice of stimulation operations affecting Heros 2308 09L Com #2H (API 30-045-35687) Heros 2308 09L Com #3H (API 30-045-35848) Heros 2308 09L Com #4H (API 30-045-35847) Heros 2308 09L Com #5H (API 30-045-35877) ("Notice")

Operator:

LOGOS Operating, LLC ("LOGOS"), intends to conduct stimulation operations beneath the following lands (the "Lands"):

Township 23 North, Range 8 West, NMPM Section 9: S/2 Section 16: N/2

San Juan County, New Mexico

The aforesaid stimulation operations will be within a one (1) mile radius of one or more existing wells operated by your company, as shown in the map attached as Exhibit "A" hereto.

LOGOS intends to commence the aforesaid stimulation operations on or about July 9, 2018, and to complete such operations on or about July 22, 2018. To protect your well(s), you should immediately undertake any appropriate and necessary mitigation measures and/or make any necessary well or equipment repairs which may result from any potential well damage, performance or other detrimental impacts which may be caused by such stimulation operations.

This Notice is provided to you as a convenience and pursuant to the draft Stimulation best Management Practices dated November 18, 2013, established through the cooperative effort of the Bureau of Land Management's Farmington Field Office, the New Mexico Oil Conservation Department and representatives of the oil and gas industry.



Should you have any questions about this Notice or the upcoming operations, please contact Kristy Graham by phone at 505-436-2627 or by email at kgraham@logosresourcesllc.com.

Sincerely, LOGOS Operating, LLC

Dawn Howell

Name: Dawn Howell Title: Senior Staff Land Analyst

cc: Chris Jeffus