

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)

A. Applicant: Enduring Resources, LLC

whose address is: 200 Energy Court, Farmington NM 87401,

hereby requests an exception to Rule 19.15.18.12 until 12/26/18, for the following described tank battery (or LACT):

Name of Lease: CHACO 2307 17H #163H API-30-039-31226 Name of Pool: BASIN MANCOS

Location of Battery: Unit Letter H Section 17 Township 23N Range 7W

Number of wells producing into battery 2

B. Based upon oil production of 25 barrels per day, the estimated volume

of gas to be flared is 150 MCF/D; Value: \$450 per day.

C. Name and location of nearest gas gathering facility:

Whiptail, Sec 17, T24N, R7W

D. Distance _____ BUILT _____ Estimated cost of connection _____

FLARE EXTENSION

E. Enduring Resources requests authorization to flare the CHACO 2307 17H #163H if a potential cross flow event may occur as a result of a nearby Frac activity on the

Federal 2307 7P Com #1H (API 30-039-31366)

Federal 2307 7P Com #2H (API 30-039-31367)

Federal 2307 7P Com #3H (API 30-039-31368)

If a cross flow event on the wells results in nitrogen content above Williams pipeline standards, flaring may begin as soon as

11/26/18 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

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 [Signature]

Printed Name

& Title: LACEY GRANILLO- PERMIT SPEC

E-mail Address: lgranillo@enduringresources.com

Date: 11/13/18

Telephone No. (505) 636-9743

OIL CONSERVATION DIVISION

Approved Until 12/26/18

By [Signature]

Title Deputy Oil & Gas Inspector,
District: #3

Date 11/16/18

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

AV