1220 South St. Francis Dr.

Submit one copy to appropriate District Office

NMOCD

NOV 1 3 2018

DISTRICT III

No.

Santa Fe, NM 87505 NFO Permit

(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 <u>12/26/18</u>, for the following described tank battery (or LACT):

Name of Lease: CHACO 2308 11A #408H API-30-045-35563 Name of Pool: BASIN MANCOS

Location of Battery: Unit Letter A _____ Section 11 ____ Township 23N Range 8W____

Number of wells producing into battery 2

B. Based upon oil production of <u>65</u> barrels per day, the estimated volume

of gas to be flared is 250 MCF/D; Value: \$750 per day.

C. Name and location of nearest gas gathering facility:

Whiptail, Sec 11, T23N, R8W

D. Distance BUILT Estimated cost of connection

FLARE EXTENSION

E. Enduring Resources requests authorization to flare the CHACO 2308 11A #408H 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.

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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 12/26/18
Signature	By Brand Pall
Printed Name & Title: Lacey Granillo Permit Specialist	Title Deputy Oil & Gas Inspector, District #3
E-mail Address: lgranillo@enduringresources.com	Date 11/16/18

Date: 11/13/18 Telephone No. (505) 636-9743

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