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

NFO Permit

Form C-129 Revised August 1, 2011

Submit one copy to appropriate District Office

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 2308 11A #407H API-30-045-35564 Name of Pool: BASIN MANCOS Location of Battery: Unit Letter A Section 11 Township 23N Range 8W Number of wells producing into battery 2 Based upon oil production of 27 barrels per day, the estimated volume В. NMOCD of gas to be flared is 100 MCF/D; Value: \$300 per day. C. Name and location of nearest gas gathering facility: DISTRICT III 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 #407H 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. OIL CONSERVATION DIVISION **OPERATOR** I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above Approved Until 12/26/18 is true and complete to the best of my knowledge and belief. Signature Deputy Oil & Gas Inspector,
District #3 Printed Name & Title: LACEY GRANILLO-PERMIT specialist

Telephone No. (505) 636-9743

E-mail Address: lgranillo@enduringresources.com

Date: 11/13/18



Date 11/16/18

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