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 IV LLC

whose address is: 200 Energy Court Farmington NM 87401,

DISTRICT III

NMOCD

JUN 2 n 2019

hereby requests an exception to Rule 19.15.18.12 until <u>7/21/19</u>, for the following described tank battery (or LACT):

Name of Lease: S CHACO UNIT 340H API- 30-043-21247 Name of Pool: Lybrook Gallup

Location of Battery: Unit Letter P_Section 35 Township 23N Range 7W

Number of wells producing into battery 2

B. Based upon oil production of <u>30</u> barrels per day, the estimated volume

of gas to be flared is 575 MCF/D; Value: \$1518 per day.

C. Name and location of nearest gas gathering facility:

Trunk H #8 ties to Enterprise , Sec 1, T22N, R7W

D. Distance BUILT Estimated cost of connection

E. This exception is requested for the following reasons: Flare Extension

Enduring Resources requests authorization to flare the <u>S CHACO UNIT 340H</u> if a potential cross flow event may occur as a result of a nearby Frac activity on the North Alamito Unit 232H (30-043-21199) and North Alamito Unit 233H (30-043-21200) belonging to DJR Energy. If a cross flow event on the well results, flaring may begin as soon as 6/21/19 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.

Enduring was given verbal approval on 6/19/19 by Jim Lavato (BLM) & Brandon Powell (OCD).

| 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 $7/21/19$ |
| Signature | By Baball |
| Printed Name & TitleLacey Granillo, Permit Specialist | Tiglepervisor district #3 |
| E-mail Address lgranillo@enduringresources.com | Date Verbal siven 6/19/19 due to near by free activity |
| Date: 6/20/19 Telephone No. (505) 636-9743 | |
| * Gas-Oil ratio test may be required to verify estimated gas volume. | |

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