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

NMOCD

JUL 0 1 2019

DISTRICT III

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,

hereby requests an exception to Rule 19.15.18. until  $\underline{8/15/19}$ , for the following described tank battery (or LACT):

Name of Lease: Chaco 2408-32P #115H API-30-045-35491 Name of Pool: Nageezi Gallup

Location of Battery: Unit Letter P\_\_\_\_Section <u>32</u>\_\_\_Township <u>24N</u>\_\_Range <u>8W</u>\_\_\_

Number of wells producing into battery \_\_\_\_2\_\_\_\_

B. Based upon oil production of <u>15</u> barrels per day, the estimated volume

of gas to be flared is <u>20 MCF/D</u>; Value: <u>\$59</u> per day.

C. Name and location of nearest gas gathering facility:

## Harvest Midstream, Sec 32, T24N, R08W

D. Distance \_\_\_\_BUILT \_\_\_\_Estimated cost of connection \_\_\_\_\_

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

Enduring Resources IV LLC requests authorization to flare the <u>CHACO 2408-32P #115H</u>, if a potential cross flow event may occur as a result of a nearby Frac activity on **State 2408 32A Com #1H (API 30-045-35911)**, **State 2408 32A Com #2H (API 30-045-35912)** & **State 2408 32A Com #3H (API 30-045-35913)** operated by Logos. If a cross flow event on the well results in nitrogen content, flaring may begin as soon as 7/15/2019, 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 and 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   | Approved Until 8/15/19       |
| is true and complete to the best of my knowledge and belief.            |                              |
| Signature   | By Bar Call                  |
| Printed Name  |                              |
| & Title Lacey Granillo Permit Specialist                                | TitlebPERYISOR DISTRICT #3 : |
| a file Lacey Grannio Termit Specialist                                  | . 1                          |
|   | Date 7/15/17                 |
| E-mail  | Date                         |
| Address lgranillo@enduringresources.com                                 |                              |
|   |                              |
| Date 7/1/19 Telephone No. <u>505-636-9743</u>                           |                              |

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