

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 McElvain Energy Inc,
whose address is 1050 17th Street Ste. 2500 Denver Colorado 80265,
hereby requests an exception to Rule 19.15.18.12 for _____ days or until
October 17, _____, Yr 2018, for the following described tank battery (or LACT):
Name of Lease McElvain #6 (025-37948) Name of Pool 21655 E-K; DELAWARE
Location of Battery: Unit Letter _____ L-25-18S-33E 2125 FSL 515 FWL ✓
Number of wells producing into battery 1
- B. Based upon oil production of 10 barrels per day, the estimated * volume
of gas to be flared is 40 MCF; Value _____ per day.
- C. Name and location of nearest gas gathering facility:
Frontier Field Services
- D. Distance _____ Estimated cost of connection _____ Connected _____
- E. This exception is requested for the following reasons: Frontier Field Services has ceased purchasing the gas from this well due to high N2 content (>4%) To keep the well producing oil McElvain is requesting permission to combust the gas in an enclosed combustor (Cimmaron). The volume of flared gas is being estimated by GOR calculation

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 Tony Cooper

Printed Name & Title Tony Cooper Regulatory Mgr.

E-mail Address TonyC@McElvain.com

Date 2-9-18 Telephone No. 303 962-6489

OIL CONSERVATION DIVISION

Approved Until 5/9/2018

By Marys Brown

Title AO/II

Date 2/13/2018

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