

HOBBS OCDState of New Mexico
Energy Minerals and Natural ResourcesDistrict 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

JUN 17 2019

RECEIVED

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505Form C-129
Revised August 1, 2011Submit one copy to appropriate
District OfficeNFO 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 Steward Energy II, LLC,
whose address is 2600 N. Dallas Pkwy, Suite 400 | Frisco, TX 75034,
hereby requests an exception to Rule 19.15.18.12 for 90 days or until
September 30, Yr 2019 for the following described tank battery (or LACT):

Name of Lease Broken Spoke Battery Name of Pool Bronco San Andres SouthLocation of Battery: Unit Letter O Section 2 Township 14S Range 38ENumber of wells producing into battery 1 (One)- API-30-025-41004 **BROKEN SPOKE 2 STATE #1H**

B. Based upon oil production of 12 barrels per day, the estimated * volume
of gas to be flared is 100 average MCF; Value \$200 per day.

C. Name and location of nearest gas gathering facility:

Immediate Area _____

D. Distance NA Estimated cost of connection NA

E. This exception is requested for the following reasons: _____

Steward Energy II, LLC (SE II) hereby request an exception to Rule 19.15.18.12 because Targa's Versado System,due to pressure and gas quality constraints, cannot take all of SE II's contractual gas on their system 100 % of the time.Interruptions can occur and it will be necessary for SE II to flare during these times.**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 W Price

Printed Name

& Title

WPrice-Price LLC mgm consultant for SEII

E-mail Address

wayneprice@q.com

Date

June 14, 2019

Telephone No.

505-715-2809**OIL CONSERVATION DIVISION**

Approved Until

9/30/2019

By

Rick Rickman

Title

DIST 1 SUPV

Date

6-17-19

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