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 Chevron USA INC, whose address is 6301 Deauville Blvd, Midland, TX 79706,			
	hereby requests an exception to Rule 19.15.1	8.12 for90	days or until	
	, Yr <u>2017</u> , for the following described tank battery (or LACT):			
	Name of Lease <u>Talco 25 CTB</u> Name of Pool <u>Bone Spring</u>			
	Location of Battery: Unit Letter D_Sec	tion <u>25</u> Township <u>25S</u> Range	35 E	
	Number of wells producing into battery	1- API # 30-025-425	548	
В.	. Based upon oil production of <u>580</u> barrels per day, the estimated * volume of gas to be flared is <u>~50</u> MCF per day; Value per day.			
C.	Name and location of nearest gas gathering facility:			
	Regency			
D.	DistanceEstimated cost of connection			
E.	This exception is requested for the following reasons: <u>Chevron gas sales pipeline repair delays.</u> Uncertain ability to proceed with 3 rd party gas sales option			
	Oncertain ability to proceed with 3 party gas sales option			
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 8/22/2017		
Signature	CirilyHonore Mariello	By Maley It	Hown.	
		Title Ao/II		
Permitting Specialist				
E-mail Address <u>eeof@chevron.com</u> Date 5/22/20			710	
Date 05/22/2017 Telephone No. 575-263-0431				

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