

HOBBS OCD

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

MAR 05 2020

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 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 Amerdev Operating, LLC,
whose address is 5707 Southwest Parkway, Building 1, STE 275, Austin, TX 78735,
hereby requests an exception to Rule 19.15.18.12 for 90 days or until
June 1st, Yr 2020, for the following described tank battery (or LACT):
Name of Lease FIRETHORN FEDERAL COM 26 36 04 Name of Pool [98234] WC-025 G-09 S263619C;
[321646] WOLFCAMP
Location of Battery: Unit Letter N Section 04 Township 26S Range 36E
Number of wells producing into battery 2: (30-025-44961, 30-025-45633)
- B. Based upon oil production of 1200 barrels per day, the estimated * volume
of gas to be flared is 135,000 MCF; Value 1500 per day.
- C. Name and location of nearest gas gathering facility:
Salt Creek Midstream - Amerdev Lateral "E" 16
- D. Distance 2 Miles Estimated cost of connection > \$10 MM
- E. This exception is requested for the following reasons: We are currently connected and sending gas to
3rd party takeaway. We are having to flare gas due to pipeline limitations and unexpected shutdowns.
We are currently working on infrastructure to connect to additional 3rd party takeaway.

CTB: Firethorn CTB; Wells: Firethorn Fed Com 26 36 04 113H (30-025-44961), Pimento 26 36 03 Fed Com 111H (30-025-45633)

OPERATORI 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 Shane McNeelyPrinted Name
& Title Shane McNeely - EngineerE-mail Address smcneely@amerdev.comDate 3/1/20 Telephone No. 737-300-4729**OIL CONSERVATION DIVISION**Approved Until 6/1/2020By [Signature]Title Petroleum EngineerDate 03/05/2020

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