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

Revised May 13, 2020

Form C-129

Submit one copy to appropriate District Office

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 Franklin Mountain Energy III	C	
A.	Applicant Franklin Mountain Energy, LLC , whose address is 2401 E 2 nd Ave. Suite 300, Denver CO 80206 ,		
	hereby requests an exception to Rule 19.15.1		
August 1st , Yr 2020, for the following described tank battery (or LACT):			
	Name of Lease <u>Parade BWY State 1H</u>	Name of Pool <u>98187 WC; UPR W</u>	VOLFCAMP
	Location of Battery: Unit Letter <u>B</u>	Section 2 Township 25S I	Range <u>35E</u>
	Number of wells producing into battery <u>3; 3</u>	30-025-43108, 30-025-43117 and 30-0	25-43922
B.	Based upon oil production of1600	barrels per day, the estima	ated * volume
	of gas to be flared isN	MCF; Value	per day.
C.	C. Name and location of nearest gas gathering facility:		
	Lucid Energy's Red Hills Processing Plant Sec. 13 T24S R33E, Lea Co., NM		
D.	DistanceEstimated cost of connection		
E.	Confirmed compliance with conditions required by New Mexico State Forestry's issuance of Order 2020-01 SMOKING, FIREWORK, CAMPFIRE, AND OPEN FIRE RESTRICTIONS FOR NEW MEXICO issued May 13, 2020 (Circle one) Yes No		
F. This exception is requested for the following reasons: <u>Lucid's Red Hills Plant and the line connected to</u> the above captioned facility is experiencing high pressure issues. Operator requests authorization to intermittently flare gas at battery location while Lucid's system is down due for pressure/maintenance events.			
OPERATOR I hereby certify that the rules and regulations of the Oil Conservation OIL CONSERVATION DIVISION			
		Approved Until July 2-Oct. 1, 2020 (90 days)	
Printed Name & Title: Rachael Oyerbey; Dir. Ops Planning & Regulatory		Kurt Simmons By	
		Title NMOCD, Santa Fe	
E-mail Address roverbey@fmellc.com		Date 07/02/2020	
Date 7/2/2020 Telephone No. 720-414-7868			

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