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 JAN U J Z Energy Minerals and Natural Resources RECEIVED

JAN 0 5 2016

HOBBS OCD

Form C-129 Revised August 1, 2011

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

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 is15 Smith Rd., Midland, TX,							
	hereby requests an exception to Rule 19.15.1	8.12 for days or until						
	February 29 , Yr 2016 , for the following described tank battery (or LACT):							
	Name of Lease Gramma Ridge CTB Name of Pool							
	Location of Battery: Unit Letter <u>B</u> Section <u>14</u> Township <u>24S</u> Range <u>34E</u>							
	Number of wells producing into battery	4 See Attachment 30-025-42289 +						
B.	Based upon oil production of _~300barrels per day, the estimated * volume							
	of gas to be flared is _~250/month MCF	; Value per day.						
C.								
	Targa							
D.	Distance 25miles Esti	mated cost of connection						
E.	E. This exception is requested for the following reasons: Third party facility is having intermittent compressor trouble at their facility. Gas goes back to sales when compressor comes back on.							
OPERATO!	R by that the rules and regulations of the Oil Conservation	OIL CONSERVATION DIVISION						
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 2/29/2016						
(700	Majurs Brown						
	Strifter	By mysight own						
Printed Nan	ne & Title Stephen Gwin, HES Specialist	Title Dist Supervisor						
E-mail Add	ress stephen.gwin@chevron.com	Date 1/5/2016						
Date 01/0	4/2016 Telephone No. 575-263-0427	1 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7						

JAN 0 5 2016

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



WELL TEST REPORT

Most Recent Well Test

HOBBS FMT

Sub Area

HOBBS

Collection Point

2011	ocu.		.,,	••
	NAME OF	 		

GRAMMA RIDGE CTB

WELL NAME	WELLNO MST	DAYTIME	WELL	Days Since Last Test	DUR(HR S)	OIL/ COND RATE(B	WAT CUT (%)	GAS RATE(MC FD)	GOR	WELL
GRAMMA 14-6H	3002542289	12/5/2015	OP	30	24.00	181.00	67.27	199.00	1.10	ACT
GRAMMA 14-8H	3002542060	12/5/2015	OP	30	24.00	140.00	67.21	180.00	1.29	ACT
GRAMMA 14-1H	3002541811/	12/5/2015	OP	30	24.00	50.00	39.76	104.00	2.08	ACT
GRAMMA 14 2-H	3002541731	12/5/2015	OP	30	24.00	28.00	48.15	67.00	2.39	ACT