

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

HOBBS OCD

SEP 27 2016

RECEIVED

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 McElvain Energy Inc.,
whose address is 1050 17th Street Ste. 2500 Denver Co 80265
hereby requests an exception to Rule 19.15.18.12 for 90 days or until
(025-42099) Yr, for the following described tank battery (or LACT):
Name of Lease EK 29352 Federal Gm 3H Name of Pool EK - Bone Springs
Location of Battery: Unit Letter 305 FSL Section 29 Township 18S Range 34E
Number of wells producing into battery 1
- B. Based upon oil production of 700 barrels per day, the estimated * volume
of gas to be flared is 700 MCF; Value \$2000⁰⁰ per day.
- C. Name and location of nearest gas gathering facility:
Targa Resources - Versado Gas Gathering System
- D. Distance ~1.5 mile Estimated cost of connection UNK @ this Time
- E. This exception is requested for the following reasons: Targa is waiting on
an approved ROW grant from BLM Carlsbad.
Once Targa receives approval, pipeline construction will
begin. Frac date of 10/20/2016 is set. Est
IP for Well is 700 Bopd 700 Mcfd.

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 Tony Cooper

Printed Name
& Title Tony Cooper Sr. EHS Specialist

E-mail Address Tony C@McElvain.com

Date _____ Telephone No. _____

OIL CONSERVATION DIVISION

Approved Until _____

By _____

Title _____

Date _____

Accepted for Record Only
PENDING BLM
APPROVAL.

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

MS Brown
9/27/2016