

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

APR 11 2017

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 CrownQuest Operating, LLC,
whose address is P.O. Box 53310 Midland, TX 79710,
hereby requests an exception to Rule 19.15.18.12 for 150 90 days or until
7/10
September 7, Yr 2017, for the following described tank battery (or LACT):
Name of Lease State 36 #3 Name of Pool Baum Upper Penn
Location of Battery: Unit Letter H Section 36 Township 13-S Range 32-E
Number of wells producing into battery 1 30-025-35302
- B. Based upon oil production of 1.4 barrels per day, the estimated * volume
of gas to be flared is 150 MCF; Value \$3.20 per day.
- C. Name and location of nearest gas gathering facility:
State 32 #3 F-36-13S-32E
- D. Distance 1.3 miles Estimated cost of connection \$15,037
- E. This exception is requested for the following reasons: _____
Purchaser is discontinuing the gas line.

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 Saul Leyva

Printed Name
& Title Saul Leyva Lease Manager

E-mail Address sleyva@crownquest.com

Date 4/10/2017 Telephone No. 432-559-9066

OIL CONSERVATION DIVISION

Approved Until 7/10/2017

By Markus Brown

Title AO/II

Date 4/12/2017

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