<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> 811 S. First St., Artesia, NM 88210 HOBBS OGD State of New Mexico Minerals and Natural Resources

Form C-129 Revised August 1, 2011

District III
1000 Rio Brazos Road, Aztec, NM 87410

AUG 21 2017 Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

Submit one copy to appropriate District Office

District IV
1220 S. St. Francis Dr., Santa Fe, NM 8750 RECEIVED

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. App | olicant Chevron USA Inc. | | , | |
|--|---|---------------------------|------|--|
| who | whose address is 6301 Deauville, Midland, TX 79706 | | | |
| here | hereby requests an exception to Rule 19.15.18.12 for days or until | | | |
| | , Yr <u>2017</u> , for the following described tank battery (or LACT): | | | |
| Nan | Name of Lease Red Hills Fed 11 Name of Pool Red Hills; Upper Bone Spring Shale | | | |
| Loc | Location of Battery: Unit Letter <u>A</u> Section <u>11</u> Township <u>25S</u> Range <u>33 E</u> | | | |
| Nun | Number of wells producing into battery 1- API# (30-025-41848) | | | |
| B. Bas | Based upon oil production of 500 barrels per day, the estimated * volume | | | |
| of g | of gas to be flared is~139 MCF; Valueper day. | | | |
| C. Nan | Name and location of nearest gas gathering facility: | | | |
| _ | Antelope Ridge | | | |
| D. Dist | DistanceEstimated cost of connection | | | |
| E. This | This exception is requested for the following reasons: <u>DCP continues to have compressor trouble at their</u> | | | |
| Ant | Antelope Ridge facility. Gas goes back to sales when compressor comes back on. | | | |
| _ | | | | |
| | | | | |
| OPERATOR I hereby certify that the rules and regulations of the Oil Conservation | | OIL CONSERVATION DIVISION | 2017 | |
| 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 W/17/2 | 2017 | |
| () | de donne Minido | By Maley S. | nown | |
| Signature | | Title 1 | I | |
| Printed Name <u>Cindy Herrera-Murillo</u> & Title <u>Permitting Specialist</u> | | Date 8 /21 /3 | 2017 | |
| E-mail Address <u>eeof@chevron.com</u> | | | | |
| Date 08/17/2017 Telephone No. 575-263-0431 | | | | |

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