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. ApplicantCHISHOLM ENERGY OPERATING, LLC, whose address is801 CHERRY STREET, SUITE 1200-UNIT 20, FORT WORTH, TX 76102 hereby requests an exception to Rule 19.15.18.12 for90days or until, Yr, for the following described tank battery (or LACT): Name of Lease GAZELLE 32 STATE COM 2BS IH & 2 Name of PoolCORBIN; BONE SPRING, SOUTH Location of Battery: Unit LetterDSection _32Township _188Range33E Number of wells producing into battery _2 B. Based upon oil production of220barrels per day, the estimated * volume of gas to be flared is350MCF; Valueper day. C. Name and location of nearest gas gathering facility:CP MIDSTREAM D. DistanceEstimated cost of connection E. This exception is requested for the following reasons:PIPELINE CURTAILMENT REPRESENTATIVE FOR CHISHOLM ENERGY OPERATING WILL BE ON LOCATION LEA COUNTY FIRE MARSHAL WILL BE NOTIFIED THAT THESE WELLS WILL BE FLARING 1H-30-025-431906 2H-30-025-44192 OPERATOR OCENTRY CONTACTION DIVISION	District II 811 S. First St., A District III 1000 Rio Brazos I District IV	Intesia, NM 88210 Road, Aztec, NM 87410 Is Dr., Santa Fe, NM 87505 HOBBS OCDil Conse 1220 Sou Santa I Southante JUL 02 2018	t New Mexico s and Natural Resources Form C-129 Revised August 1, 2011 Submit one copy to appropriate District Office NFO Permit No	
whose address is	APPLICATION FOR EXCEPTION TO NO-FLARE RULE 19.15.18.12			
whose address is	А.	Applicant CHISHOLM ENERGY O	PERATING, LLC	
Name of Lease       GAZELLE 32 STATE COM 2BS IH & 2Y       Name of PoolCORBIN; BONE SPRING, SOUTH         Location of Battery:       Unit LetterDSection _32TownshipI88Range33E         Number of wells producing into battery _2         B.       Based upon oil production of220barrels per day, the estimated * volume of gas to be flared is350NCF; Valueper day.         C.       Name and location of nearest gas gathering facility:        DCP MIDSTREAM		requests an exception to Rule 19.15.18.12 for90days or until		
Location of Battery: Unit Letter       D       Section       32       Township       18S       Range       33E         Number of wells producing into battery       2	, Yr, for the following described tank battery (or LACT):			
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<ul> <li>B. Based upon oil production of barrels per day, the estimated * volume of gas to be flared is MCF; Value per day.</li> <li>C. Name and location of nearest gas gathering facility:</li></ul>				
of gas to be flared is		Number of wells producing into battery 2		
C. Name and location of nearest gas gathering facility: DCP MIDSTREAM D. DistanceEstimated cost of connection E. This exception is requested for the following reasons: PIPELINE CURTAILMENTPIPELINE CURTAILMENTREPRESENTATIVE FOR CHISHOLM ENERGY OPERATING WILL BE ON LOCATION LEA COUNTY FIRE MARSHAL WILL BE NOTIFIED THAT THESE WELLS WILL BE FLARING	В.	Based upon oil production of 220	barrels per day, the estimated * volume	
DCP MIDSTREAM D. DistanceEstimated cost of connection E. This exception is requested for the following reasons: PIPELINE CURTAILMENT REPRESENTATIVE FOR CHISHOLM ENERGY OPERATING WILL BE ON LOCATION LEA COUNTY FIRE MARSHAL WILL BE NOTIFIED THAT THESE WELLS WILL BE FLARING 1H-30-025-43906 2H-30-025-44192 OPERATOR I hereby certify that the rules and regulations of the Oil Conservation OIL CONSERVATION DIVISION		of gas to be flared is350	MCF; Valueper day.	
D. Distance Estimated cost of connection E. This exception is requested for the following reasons: 	C.	Name and location of nearest gas gathering facility:		
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REPRESENTATIVE FOR CHISHOLM ENERGY OPERATING WILL BE ON LOCATION         LEA COUNTY FIRE MARSHAL WILL BE NOTIFIED THAT THESE WELLS WILL BE FLARING         1H-30-025-43906         2H-30-025-44192         OPERATOR         I hereby certify that the rules and regulations of the Oil Conservation	E.			
LEA COUNTY FIRE MARSHAL WILL BE NOTIFIED THAT THESE WELLS WILL BE FLARING         1H-30-025-43906         2H-30-025-44192         OPERATOR         I hereby certify that the rules and regulations of the Oil Conservation				
OPERATOR       OIL CONSERVATION DIVISION         I hereby certify that the rules and regulations of the Oil Conservation       OIL CONSERVATION DIVISION				
I hereby certify 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.	Division have been complied with and that the information given above		Approved Until 10/2/2018	
Signature Gennifer Elrod By Maley & Brown	is in the tank comp	and Shall	Mal ARANA	
Printed Name & Title TitleTItleTItle Title TitleTItle Title Ti		genniger acrea	By rapey as wow	
E-mail Address jelrod@chisholmenergy.com Date 7/2/2018	Signature	8	10/07	

 Date
 05/31/2018
 Telephone No.
 817-953-3728

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

Telephone No. 817-953-3728