

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
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

JUL 02 2018

NFO Permit No. _____
(For Division Use Only)

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. Applicant CHISHOLM ENERGY OPERATING, LLC,
whose address is 801 CHERRY STREET, SUITE 1200-UNIT 20, FORT WORTH, TX 76102, hereby
requests an exception to Rule 19.15.18.12 for 90 days or until
 , Yr , for the following described tank battery (or LACT):

Name of Lease GAZELLE 32 STATE COM 2BS 1H & 2Y Name of Pool CORBIN; BONE SPRING, SOUTH
Location of Battery: Unit Letter D Section 32 Township 18S Range 33E
Number of wells producing into battery 2

B. Based upon oil production of 220 barrels per day, the estimated * volume
of gas to be flared is 350 MCF; Value per day.

C. Name and location of nearest gas gathering facility:

DCP MIDSTREAM

D. Distance Estimated 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
Division have been complied with and that the information given above
is true and complete to the best of my knowledge and belief.

Signature Jennifer Elrod

Printed Name
& Title JENNIFER ELROD; SR. REGULATORY TECH

E-mail Address jelrod@chisholmenergy.com

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

OIL CONSERVATION DIVISION

Approved Until 10/2/2018

By Mary Brown

Title AO/E

Date 7/2/2018

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