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 onservation Division 20 South St. Francis l Santa Fe, NM 87505

Form C-129 Revised August 1, 2011

Submit one copy to appropriate District Office

NOV U8 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)

whose address is:

1111 Bagby St. suite 1600, Houston, TX 77002,

hereby requests an exception to Rule 19.15.18.12 for 30 days (November 7th through December 6th, 2018) for the following described tank battery (or LACT):

Name of Lease: Encore M State

Name of Pool: Blinebry Oil and Gas (Oil), Drinkard,

Tubb Oil and Gas (Oil), Wantz Abo

Location of Battery: Unit Letter: G Section: 19 Township: 22s Range: 37E

Number of wells producing into battery: 10 (See Attached)

30 95-38961

В. Based upon oil production of 100 barrels per day, the estimated * volume

of gas to be flared is 600 MCF/D; Value \$ 2,118.00 (\$3.52 per MCF) per day.

C. Name and location of nearest gas gathering facility:

Targa - Versado Gas Processors, LLC - Eunice Gas Plant

Distance: 8 miles D.

Estimated cost of connection: Connected

E. This exception is requested for the following reasons:

Targa - Versado Gas Processors, LLC, Eunice Gas Plant will be offline for the duration of the exception request (November 7th, through November 11th) due to maintenance. Targa requested that Maverick Natural Resources stop process until issues are resolved.

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: Thamas Haigard

Printed Name

& Title: Thomas Haigood, Permian EHS Coordinator

E-mail Address: Thomas.haigood@mavresources.com

Date: 11-07-2018 Telephone No: (432) 701-7802 OIL CONSERVATION DIVISIO

Approved Until

Title

By

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

Breitburn Operating LP Encore M State Wells

Tank Battery No. 1

Well Name Location ' API#

Encore M State No. 001 T22S, R37E (UL A) 30-025-38961

DHC-HOB-0295

Pools: Blinebry Oil and Gas (Oil) (6660)

Drinkard (19190)

Encore M State No. 002 G-19-22S-37E 30-025-39541

DHC-HOB-0363

Pools: Blinebry Oil and Gas (Oil) (6660) Drinkard 19190)

Encore M State No. 003 C-19-22S-37# 30-025-39751

DHC-4702

Pools: Blinebry Oil and Gas (Oil) (6660)

Drinkard (19190) Wantz; Abo (62700)

Encore M State No. 004 H-19-22S-37E 30-025-40091

DHC-HOB-469

Pools: Blinebry Oil and Gas (Oil) (6660)

Drinkard (19190)

Encore M State No. 005 A-19-22S-37E 30-025-40299

DHC-4698

Pools: Blinebry Oil and Gas (Oil) (6660) Drinkard (19190)

Wantz; Abo (62700)

Encore M State No. 006 I-19-22S-37E 30-025-40398

DHC-4699

Pools: Blinebry Oil and Gas (Oil) (6660)

Drinkard (19190) Wantz; Abo (62700)

Encore M State No. 007 B-19-22S-37E 30-025-40399

DHC-4701

Blinebry Oil and Gas (Oil) (6660) Pools:

Drinkard (19190) Wantz; Abo (62700)

J-19-22S-37E 30-025-40721 Encore M State No. 008

DHC-4705

Blinebry Oil and Gas (Oil) (6660) Pools:

Drinkard (19190) Wantz; Abo (62700)

Encore M State No. 009 D-20-22S-37E 30-025-40749

DHC-4700

Pools: Blinebry Oil and Gas (Oil) (6660) Drinkard (19190)

Wantz; Abo (62700)

Encore S State No. 010 M-17-22S-37E 30-025-41061

DHC-4771

Pools: Blinebry Oil and Gas (Oil) (6660)

Drinkard (19190) Wantz; Abo (62700)

Tubb Oil and Gas (Oil) (60240)