HOBBS OCD

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 District II 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

AUG 1 5 2019 Form C-129
RECEIVED evised August 1, 2011
RECEIVED is 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 IMPETRO OPERATING, LLC , | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|-----------------------------------------|--|
| | whose address is 201 MAIN STREET #700 FORT WORTH, TX 76102 | | |
| | hereby requests an exception to Rule 19.15.1 | 8.12 for 90 days or until | |
| | NOVEMBER 13 , Yr 2019 , for the following described tank battery (or LACT): | | |
| | Name of Lease Prizehog BWZ State Com 1H & 2H Name of Pool WC-25 G-09 S263619C; WOLFCAMP | | |
| | Location of Battery: Unit Letter A Section 19 Township 26S Range 36E | | |
| | Number of wells producing into battery 2 (see well names below) | | |
| B. | Based upon oil production of184 | barrels per day, the estimated * volume | |
| | of gas to be flared is103 | MCF; Valueper day. | |
| C. | Name and location of nearest gas gathering facility: LUCID WILDHOG COMPRESSOR STATION | | |
| | | | |
| D. | Distance 3/4 MILE Estimated cost of connection N/A | | |
| E. | This exception is requested for the following reasons: ROW for line sales and Compressor has down times | | |
| | This is to cover flaring on 08/15/2019 to 11/13/2019 (90 days) | | |
| | Prizehog BWZ State Com 1H - API# 30-025-42744 | | |
| | Prizehog BWZ State Com 2H - API# 30-025-44111 | | |
| | | | |
| OPERATOR OIL CONSERVATION DIVISION | | | |
| 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. Approved U | | Approved Until | |
| Signature | Jessica Assal | By Keny Forte | |
| Printed Name | | Title C , O . A | |
| & Title Jessica Assal, Regulatory Analyst | | 01-10 | |
| E-mail Address jassal@lilisenergy.com | | Date 8/15/19 | |
| Date 10/22/19 Telephone No. 817-585-9010 | | | |

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