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

1220 S. St. Francis Dr., Santa Fe, NM 87503

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State of New Mexico Energy Minerals and Natural Resources

Form C-129

Revised August 1, 2011

Submit one copy to appropriate District Office

FEB 03 2020

NFO Permit No.

(For Division Use Only)

APPLICATION FOR EXAMETION TO NO-FLARE RULE 19.15.18.12 (Septime 19.15.18.12 NMAC and Rule 19.15.7.37 NMAC)

| Α. | Applicant RIDGEWAY ARIZONA OIL CORP. | , | |
|-------------------------------------|---|---------------|--|
| | whose address is 575 N DAIRY ASHFORD RD, EC II, SUITE 210, HOUSTON, TX 77079, | | |
| | hereby requests an exception to Rule 19.15.18.12 for 90 | days or until | |
| | MARCH 21, Yr 2020, for the following described tank battery (or LACT): | | |
| | Name of LeaseName of Pool _12080 CHAVEROO SA N | <u>E</u> | |
| | Location of Battery: Unit Letter <u>E</u> Section <u>21</u> Township <u>6N</u> Range <u>34</u> | <u>E</u> | |
| | Number of wells producing into battery 2 (API 30-041-20985, 30-041-20973) | | |
| В. | Based upon oil production of 218 barrels per day, the estimated * v | olume | |
| | of gas to be flared is <u>184</u> MCF; Value <u>\$184</u> p | er day. | |
| C. | Name and location of nearest gas gathering facility: | | |
| | <u>TARGA</u> | | |
| D. | Distance 5,800' Estimated cost of connection \$122,000 | | |
| E. | This exception is requested for the following reasons: <u>Targa operates the neares gas gather</u> | ing | |
| | system but is unwilling to take the low quality gas rich in CO2 and N2. Processing of this q | uality | |
| | gas makes marketing uneconomic at this time. | | |
| 14 mg 1 | <u> </u> | | |
| | | | |
| Division have be | R y that the rules and regulations of the Oil Conservation been complied with and that the information given above nplete to the best of my knowledge and belief. OIL CONSERVATION DIVISION Approved Until | ∂ 7 | |
| Signature $\underline{\mathcal{U}}$ | War Roll By | | |
| Printed Name & Title | ne William Boyd, Land & Regulatory Mgr Title Petroleum | Engineer | |
| E-mail Addre | ress_wboyd@pedevco.comDateDate | | |
| Date 1/21/2 | 1/2020 Telephone No. 713-574-7912 | | |

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