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 May 13, 2020

Submit one copy to appropriate District Office

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 Contango Resources, Inc.					
		Suite 2900 Houston, TX 77002				
	8.12 for 90 Days (Starting 2/25/2021) days or until					
		for the following described tank battery (or LACT):				
Name of Lease WELCH RL STATE BATTERY Name of Pool RED LAKE, GLORIETA-YESO NE						
	Location of Battery: Unit Letter	Section 28 Township 17S Range 28E				
	Number of wells producing into battery 12					
В.	Based upon oil production of 106	barrels per day, the estimated * volume				
	of gas to be flared is 450					
C.	Name and location of nearest gas gathering facility:					
FRONTIER EMPIRE ABO GAS PLANT						
D.	Distance N/A Estimated of	cost of connection N/A				
E.	This exception is requested for the following reasons: Curtailments for repairs at					
	Frontier Empire Abo Gas Plant					
OPERATOR		OIL CONSERVATION DIVISION				
Division have b	that the rules and regulations of the Oil Conservation been complied with and that the information given above plete to the best of my knowledge and belief.	Approved Until Feb. 25 - May 24, 2021 (90 days)				
Signature Signature		Kurt Simmons By				
Printed Name & Title Carie Stoker Regulatory Affairs Coordinator		Title NMOCD				
E-mail Address carie@stokeroilfield.com		Date02/12/2021				
Date 2/8/20						
* Gas-Oil rat	tio test may be required to verify estimated gas	volume.				

API Well Name		Well Number	
	WELCH RL STATE	#001	
	WELCH RL STATE	#002	
	WELCH RL STATE	#004	
	WELCH RL STATE	#005	
	WELCH RL STATE	#006	
	WELCH RL STATE	#007	
	WELCH RL STATE	#010	
	WELCH RL STATE	#014	
	WELCH RL STATE	#018	
	WELCH RL STATE	#019	
	WELCH RL STATE	#020	
	WELCH RL STATE	#021	

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III
1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

CONDITIONS

Action 17892

CONDITIONS OF APPROVAL

Operator:	OGRID:	Action Number:	Action Type:
CONTANGO RESOURCES, INC. 717 Texas Ave.	330447	17892	C-129
Suite 2900 Houston, TX77002			

OCD Reviewer	Condition
ksimmons	None