<u>District I</u> 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

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)

COPERATOR 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 Kelly Barajas Printed Name & Title Kelly Barajas, Production Reporting  COPERATOR  OIL CONSERVATION DIVISION  Approved Until  Mar. 30 - June 28, 2021 (90 days)  By Kurt Simmons  Title NMOCD	A.	A. Applicant Read & Stevens, Inc. OGRID #18917					
June 30,, Yr		whose address is PO Box 1518, Roswell, NM 88202					
Name of Lease Bandit State 4-9 Lease Name of Pool Happy Valley Delaware (29665)  Location of Battery: Unit Letter L Section 10 Township 23S Range 26E  Number of wells producing into battery 6, 30-015-32553 Bandit St 4; 30-015-33319 Bandit St 5; 30-015-34174 Bandit St 6; 30-015-37434 Bandit St 5; 30-015-34174 Bandit St 6; 30-015-37434 Bandit St 5; 30-015-37439 Bandit St 6; 30-015-37434 Bandit St 5; 30-015-37439 Bandit St 6; 30-015-37434 Bandit St 5; 30-015-37439 Bandit St 6; 30-015-37434 Bandit St 5; 30-015-34174 Bandit St 6; 30-015-3434 Bandit St 5; 30-015-34174 Bandit St 6; 30-015-34348 Bandit St 5; 30-015-34174 Bandit St 6; 30-015-34348 Bandit St 5; 30-015-34174 Bandit St 6; 30-015-34348 Bandit St 5; 30-015-34174 Bandit St 6; 30-015-3							
Location of Battery: Unit Letter L Section 10 Township 23S Range 26E							
Number of wells producing into battery 6, 30-015-32553 Bandit St 4; 30-015-33119 Bandit St 6; 30-015-34174 Bandit St 6;  B. Based upon oil production of 15							
B. Based upon oil production of15		Location of Battery: Unit Letter L Section 10 Township 23S Range 26E					
of gas to be flared isMCF; Value _\$2.4231per day.  C. Name and location of nearest gas gathering facility:		Number of wells producing into battery 6, 30-	-015-32553 Bandit St 4; 30-015-33319 Bandit St 5; <del>15-34761 Bandit State 7; 30-015-37434 Bandit St i</del>	; 30-015-34174 Bandit St 6; <del>8; 30-015-379</del> 39 Bandit St #9			
C. Name and location of nearest gas gathering facility:  D. Distance Estimated cost of connection  E. This exception is requested for the following reasons: The gas production on the Bandit State wells contains high levels of H2S and doesn't produce an adequate amount of gas. During the "Red Flag Day" the wells will be shut in and no gas will be flared when the winds are in excess of 25 mph in the area.  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 Kelly Barajas Printed Name & Title Kelly Barajas, Production Reporting  Title NMOCD	B.	Based upon oil production of	barrels per day, the estimated * volume				
D. DistanceEstimated cost of connection  E. This exception is requested for the following reasons: The gas production on the Bandit State wells contains high levels of H2S and doesn't produce an adequate amount of gas. During the "Red Flag Day" the wells will be shut in and no gas will be flared when the winds are in excess of 25 mph in the area.  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 Kelly Barajas		of gas to be flared is 1	MCF; Value \$2.4231	per day.			
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Printed Name & Title Kelly Barajas, Production Reporting  Title NMOCD	Division have been complied with and that the information given above		Approved Until Mar. 30 - June 28, 2	2021 (90 days)			
Printed Name & Title Kelly Barajas, Production Reporting  Title NMOCD	Signature Kelly Barajas		By Kurt Simmons				
02/00/2021			NMOCD				
E-mail Address kbarajas@read-stevens.com Date	E-mail Address kbarajas@read-stevens.com		Date				
Date 03/26/2021 Telephone No. 575-622-3770	Date 03/26/2	2021 Telephone No. 575-622-3770					

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

<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 22134

## **CONDITIONS OF APPROVAL**

Operator:			OGRID:	Action Number:	Action Type:
READ & STEVENS INC	P.O. Box 1518	Roswell, NM88202	18917	22134	C-129

OCD Reviewer	Condition
ksimmons	None