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 <u>Advance Energy Partners</u>	Hat Mesa, LLC
whose address is11490 Westheimer Suite	e 950 Houston, Texas 77077
hereby requests an exception to Rule 19.15.	18.12 for days or until
October 10 ,	Yr 20_, for the following described tank battery (or LACT):
Name of Lease Merchant 503 Battery	Name of Pool WC-025 G-06 S213326D; Bone Spring
Location of Battery: Unit Letter A	Section 35 Township 21S Range 33E
Number of wells producing into battery	4
B. Based upon oil production of <u>2,181</u>	barrels per day, the estimated * volume
of gas to be flared is <u>3.7 MMCFD</u>	MCF; Valueper day.
C. Name and location of nearest gas gathering f	acility:
Targa	
D. DistanceEstimated c	ost of connection
E. This exception is requested for the following	reasons: <u>Curtailments</u>
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 Until 10/24/2020 (3 Days)
Signature Lubbi Muglon	John Garcia
Printed Name & Title <u>Debbie Moughon Eng. Tech.</u>	ByPetroleum Engineer Title
E-mail Address dmoughon@advanceenergypartners.com	Date 10/21/2020
Date 10/7/20 Telephone No.713-447-0744	

^{*} Gas-Oil ratio test may be required to verify estimated gas volume.

Merchant Battery 503

Merchant State Unit # 503 Merchant State Unit # 551 Merchant State Unit # 601 Merchant State Unit # 602