

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

HOBBS OCD

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

SEP 12 2014

Form C-129
Revised August 1, 2011

Submit one copy to appropriate
District Office

NFO Permit RECEIVED

(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 CHEVRON USA INC,
whose address is 1616 W. BENDER BLVD HOBBS, NM 88240,
hereby requests an exception to Rule 19.15.18.12 for _____ days or until
DECEMBER 31, Yr 2014, for the following described tank battery (or LACT):
Name of Lease PLEASE SEE LIST Name of Pool BELL LAKE DELAWARE, EAST
Location of Battery: Unit Letter _____ Section _____ Township 23S Range 34E
Number of wells producing into battery 9
- B. Based upon oil production of 63 barrels per day, the estimated * volume
of gas to be flared is 51 MCF _____ MCF; Value _____ per day.
- C. Name and location of nearest gas gathering facility:
Regency
- D. Distance APPROX 15 MILES Estimated cost of connection _____
- E. This exception is requested for the following reasons: PRESSURE ON THE REGENCY A-14 TRUNK LINE HAVE SPIKED UP TO THE MAXIMUM ALLOWABLE OPERATING PRESSURE OF THE SYSTEM (100 PSI). TO RESOLVE THE SITUATION, REGENCY ARE EXECUTING A LINE LOOPING PROJECT THAT WILL DIVERT GAS OFF THE A-14 AND LOWER PRESSURE. THIS PROJECT IS EXPECTED TO BE COMPLETED IN DECEMBER 2014. UNTIL THIS PROJECT IS COMPLETED, CHEVRON CAN NOT SEND ANY GAS DOWN THE A-14 LINE AS THIS WOULD CREATE AN OVER PRESSURED AND UNSAFE CONDITION.

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 Cindy Herrera-Murillo

Printed Name
& Title CINDY HERRERA-MURILLO

E-mail
Address CHERRRAMURILLO@CHEVRON.COM

Date 09/11/2014 Telephone No. 575-263-0431

OIL CONSERVATION DIVISION

Approved Until 12/11/2014

By Marys Brown

Title Dist. Supervisor

Date 9/16/2014

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

SEP 16 2014

2014



DOWN WELLS REPORT

9/11/2014

Area HOBBS FMT
 Sub Area HOBBS
 Operator Route 6010003 - ROUTE 3
 Collection Point CIGUENA STATE BATTERY

WELL NAME	PRA WC NO	PROD METHOD	DATE OFF	REASON CODE	LOSS RATE			
					OIL	GAS	WATER	BOEG
CIGUENA ST 1	37237101	PU	8/20/2014 11:00:00 AM	OO	9.00	1.00	61.00	9.17
<i>30-025-32794</i> CIGUENA ST 2	37237201	PU	8/20/2014 11:00:00 AM	OO	11.00	2.00	75.00	11.33
<i>30-025-32959</i> Collection Point	KELLER 27 FED 1							

WELL NAME	PRA WC NO	PROD METHOD	DATE OFF	REASON CODE	LOSS RATE			
					OIL	GAS	WATER	BOEG
KELLR 27 F 1	37209001	PU	8/20/2014 11:00:00 AM	OO	5.60	5.00	139.00	6.43
<i>30-025-37905</i> Collection Point	KELLER 33/34 STATE BATT							

WELL NAME	PRA WC NO	PROD METHOD	DATE OFF	REASON CODE	LOSS RATE			
					OIL	GAS	WATER	BOEG
KELLR 33 S 2	37208701	PU	8/20/2014 11:00:00 AM	OO	8.00	11.00	65.00	9.83
<i>30-025-37616</i> KELLR 34 S 1	37208601	PU	8/20/2014 11:00:00 AM	OO	9.00	9.00	64.00	10.50
<i>30-025-37617</i> KELLR 34 S 2	37208901	PU	8/20/2014 11:00:00 AM	OO	9.00	9.00	64.00	10.50
<i>30-025-37866</i> KELLR 34 S 3	37208801	PU	8/20/2014 11:00:00 AM	OO	7.00	12.00	53.00	9.00

WELL NAME	PRA WC NO	PROD METHOD	DATE OFF	REASON CODE	LOSS RATE			
					OIL	GAS	WATER	BOEG
<i>30-025-37730</i> Collection Point	PAPAGAYO FED 1							
PAPAGAYO F 1	37238401	PU	8/20/2014 11:00:00 AM	OO	0.00	7.00	5.00	1.17
<i>30-025-32543</i> Collection Point	PRONGHORN STATE 1							

WELL NAME	PRA WC NO	PROD METHOD	DATE OFF	REASON CODE	LOSS RATE			
					OIL	GAS	WATER	BOEG
PRNGHORN S 1	37239601	PU	8/20/2014 11:00:00 AM	OO	10.00	7.00	52.00	11.17
<i>30-025-33241</i>								