

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 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)

- HOBBS OCD**
AUG 05 2015
RECEIVED
- 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
September 30, Yr 2015, 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 11
- B. Based upon oil production of 106 barrels per day, the estimated * volume
of gas to be flared is ~2300 MCF; Value _____ per day.
- C. Name and location of nearest gas gathering facility:
Energy Transfer
- D. Distance Approx. 15 miles Estimated cost of connection _____
- E. This exception is requested for the following reasons: Pressure on the Energy Transfer A-14 trunk line has spiked to max allowable operating pressure of the system. Energy Transfer is executing a line looping project that will divert gas off the A-14 and lower pressure. Construction has begun after delay's due to BLM ROW approval on 11 of 22 tracks. Energy Transfer has enacted a rolling curtailment program to minimize pressure on the line until the line looping project is completed.

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 _____

Printed Name & Title

Stephen Gwin Health & Environment Specialist

E-mail Address stephen.gwin@chevron.com

Date 8/1/2015

Telephone No. 575-408-0073

OIL CONSERVATION DIVISION

Approved Until _____

By _____

Title _____

Date _____

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

AUG 06 2015



Operator Route

WELL NAME	API	DAYTIME	DUR(HRS)	OIL/ COND RATE(BOPD)	WAT CUT (%)	GAS RATE(MCFD)	GOR	WELL STATUS
BONANZA F 1	3002533808	7/3/2015	24.00	8.00	90.80	3.00	0.38	ACT
BONANZA F 3	3302534338	7/4/2015	24.00	6.00	90.91	4.00	0.67	ACT

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WELL NAME	API	DAYTIME	DUR(HRS)	OIL/COND RATE(BOPD)	WAT CUT (%)	GAS RATE(MCFD)	GOR	WELL STATUS
CIGUENA ST 1	3002532744	7/7/2015	24.00	8.00	81.40	7.00	0.88	ACT
CIGUENA ST 2	3002532959	7/8/2015	24.00	9.00	80.00	7.00	0.78	ACT

Collection Point

WELL NAME	API	DAYTIME	OUR(HRS)	OIL COND RATE(BOPD)	WAT CUT (%)	GAS RATE(MCFD)	GOR	WELL STATUS
KELLR 27 F 1	3002537905	7/8/2015	24.00	14.00	89.55	6.00	0.43	ACT

Collection Point

WELL NAME	API	DAYTIME	DUR(HRS)	OIL/ COND RATE(BOPD)	WAT CUT (%)	GAS RATE(MCFD)	GOR	WELL STATUS
KELLR 34 S 3	3002537730	7/22/2015	24.00	12.00	86.96	16.00	1.33	ACT
KELLR 34 S 1	3002537617	7/16/2015	24.00	11.00	91.13	17.00	1.55	ACT
KELLR 34 S 2	3002537666	7/24/2015	24.00	18.00	90.16	23.00	1.28	ACT
KELLR 33 S 2	3002537616	7/20/2015	24.00	14.00	90.28	18.00	1.29	ACT

Collection Point

WELL NAME	API	DAYTIME	DUR(HRS)	OIL/ COND RATE(BOPD)	WAT CUT (%)	GAS RATE(MCFD)	GOR	WELL STATUS
PAPAGAYO F 1	3002532543	7/14/2015	24.00	6.00	73.91	10.00	1.67	ACT

Collection Point

WELL NAME	API	DAYTIME	DUR(HRS)	OIL/ COND RATE(BOPD)	WAT CUT (%)	GAS RATE(MCFD)	GOR	WELL STATUS
PRNGHORN S 1	3002533241	7/9/2015	24.00	11.00	75.00	15.00	1.36	ACT