District 1 Received by UCD: 4/21/2021 12:40:35 PM

District III

1000 Rio Brazos Road, Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-129
Revised August 1, 2011 Page 1 of 2

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)

| Α. | Applicant Sunlight Exploration In | c. | , | | | | |
|-------------------------------|--|-------------------------|----------------------|--|--|--|--|
| | whose address is 1415 23rd Street, Canyon, TX 79015 | | | | | | |
| | hereby requests an exception to Rule 19.15.1 | 18.12 for | 90days or until | | | | |
| | , Yr, for the following described tank battery (or LACT): | | | | | | |
| | Name of Lease V. Linam | Name of Pool | | | | | |
| | Location of Battery: Unit Letter D | Section 14 Township 13 | S Range 38 East NMPM | | | | |
| | Number of wells producing into battery | 2- API 30-025-07240, 30 | -025-07241 | | | | |
| B. | Based upon oil production of11 BPD | barrels per day, the | estimated * volume | | | | |
| | of gas to be flared isTSIM | MCF; Value0 | per day. | | | | |
| C. | Name and location of nearest gas gathering facility: | | | | | | |
| | Targa. Targa pulled meter out because of low volume. | | | | | | |
| D. | DistanceEstimated cost of connection | | | | | | |
| E. | This exception is requested for the following reasons: Not Enough Gas to sell. Line | | | | | | |
| | pressure is to high. | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| OPERATOR I hereby certify the | at the rules and regulations of the Oil Conservation | OIL CONSERVATION DIVI | | | | | |
| Division have bee | n complied with and that the information given above the to the best of my knowledge and belief. | Approved Until 7/19/202 | 1 | | | | |
| Signature | [harles Smith | By PATRICIA MARTIN | NEZ | | | | |
| Printed Name | | LM II | | | | | |
| | narles Smith, Production Foreman | 4/19/2021 | | | | | |
| E-mail Address | s_chuck@sunlightexp.com | Date | 3 | | | | |
| Date 4/19/20 | 21 Telephone No. 806-655-7183 | | | | | | |

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 24979

CONDITIONS OF APPROVAL

| Operator: | | | OGRID: | Action Number: | Action Type: |
|----------------------------|------------------|-----------------|--------|----------------|--------------|
| SUNLIGHT EXPLORATION, INC. | 1415 23rd Street | Canyon, TX79015 | 220613 | 24979 | C-129 |

| OCD Reviewer | Condition |
|--------------|-----------|
| plmartinez | None |