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 MAY 1 8 2018 Submit one copy to appropriate

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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 6301 Deauville, Midland, TX 79706,	
	hereby requests an exception to Rule 19.15.1	3.12 for days or until
	, Yr <u>2018</u> , for the following described tank battery (or LACT):	
	Name of Lease <u>Hayhurst NM Sect 10 CS & CTB</u> Name of Pool <u>Purple Sage; Wolfcamp</u> Location of Battery: Unit Letter <u>I</u> Section <u>35</u> Township <u>25S</u> Range <u>27 E</u> Number of wells producing into battery <u>4</u> (See list below)	
В.	Based upon oil production of Approx 450 barrels per day, the estimated * volume	
	of gas to be flared is Approx 1700 MCF; Valueper day.	
C.	Name and location of nearest gas gathering facility: Enterprise in Orla, TX	
D.	Distance22.5 milesEstimated cost of connection	
E.	This exception is requested for the following reasons: Equipment malfunctions (Compressors) during commissioning and performance testing. HH SO 10 P3 #7 H 30-15-43936; HH SO 10 P3 #8H 30-015-43937; HH SO 10 P3 #15H 30-015-43930 HH SO 10 P3 #16H 30-015-43929	
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.		Apr
Signature	Cirily Hanne Muillo	ACCEPTED FOR RECORD B. N.M.O.C.D. ONLY
		Title
Printed Name <u>Cindy Herrera-Murillo</u> & Title <u>Permitting Specialist</u>		Date5 18 18
E-mail Address <u>eeof@chevron.com</u>		
Date 05/18/2018 Telephone No. 575-263-0431		
Gas-Oil ratio test may be required to verify estimated gas volume.		