NMOCD-REC'D: 8/26/2020

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 Revised May 13, 2020

Submit one copy to appropriate District Office

NFO Permit No.

Title BUSINESS OP. SPEC.

8/31/2020

Date

(For Division Use Only)

Form C-129

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)

Applicant HEXP Operating, LLC A. whose address is 113 Corporate Drive, Midland, TX 79705 90 days or until hereby requests an exception to Rule 19.15.18.12 for November 30 Y_r 2020, for the following described tank battery (or LACT): Name of Pool N, Seven Rivers; Glorieta-Yeso Name of Lease Simmental Location of Battery: Unit Letter G Section 22 Township 20-S Range 25-E Number of wells producing into battery 1 30-015-33230 Based upon oil production of barrels per day, the estimated * volume B. 40 MCF; Value 0 of gas to be flared is per day. Name and location of nearest gas gathering facility: C. Simmental #1 Meter Distance 20 yards Estimated cost of connection \$456.51 D. This exception is requested for the following reasons: cannot sell sour gas in a sweet gas E. line, would like to begin flaring on 9/1/20 OIL CONSERVATION DIVISION **OPERATOR** I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above 12/01/2020 Approved Until is true and complete to the best of my knowledge and belief. Signature

Telephone No. 432-661-3573

E-mail Address cfoster@hexpresources.com

Regulatory Analyst

Printed Name

& Title Courtney Foster

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