<u>District I</u> 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

2nd COPY State of New Mexico NMOCD - Rec'd 09/30/2020 Energy Minerals and Natural Resources Form C-129

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

Submit one copy to appropriate District Office

Revised May 13, 2020

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)

Λ	Applicant Read & Stevens Inc. OGRI	D #18917	
A.	Applicant Read & Stevens, Inc. OGRID #18917 whose address is PO Box 1518, Roswell, NM 88202		
	hereby requests an exception to Rule 19.15.18.12 for 90 days, beginning Sept 30, 2020 days or until		
	December 29 , Yr 2020, for the following described tank battery (or LACT):		
	Name of Lease Bandit State 4-9 Lease Name of Pool Happy Valley Delaware (29665)		
	Location of Battery: Unit Letter L	Section 10 Township 23S Range 26E	
	Number of wells producing into battery $\frac{6,30-0}{30-015}$	15-32553 Bandit St 4; 30-015-33319 Bandit St 5; 30-015-34174 Bandit St 6; -34761 Bandit State 7; 30-015-37434 Bandit St 8; 30-015-37939 Bandit St #9	
B.	Based upon oil production of 22	barrels per day, the estimated * volume	
	of gas to be flared is 1	MCF; Value <u>\$0.9907</u> per day.	
C.	Name and location of nearest gas gathering facility:		
D.	DistanceEstimated co	ost of connection	
E.	This exception is requested for the following reasons: The gas production on the Bandit State wells		
	contains high levels of H2S and doesn't produce an adequate amount of gas. During the "Red Flag Day" the wells will be shut in and no gas will be flared when the winds are in excess of 25 mph in the area.		
OPERATOR Lhamby contifut that the males and recordations of the Oil Consequention		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.		Approved Until 12/30/2020	
Signature Kelly Barajas		By Inglie Detamante	
Printed Name		Title BUSINESS OP. SPEC.	
& Title Kelly Barajas, Production & Regulatory			
E-mail Address kbarajas@read-stevens.com		Date10/13/2020	
Date 9/30/2020 Telephone No.575-624-3760			

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