District I Ene 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 8741(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

OCD - HOBBS 03/25/2020 Form C-129 03/25/2020 Revised August 1, 2011 RECESubmit 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 Steward Energy II, LLC,	,
	whose address is 2600 N. Dallas Pkwy, Suite 400 Frisco, TX 75034,,	
	hereby requests an exception to Rule 19.15.18.12 for90days o	
	June 30 , Yr 2020 ,	for the following described tank battery (or LACT):
		Bronco San Andres South
	Location of Battery: Unit Letter N DGBAR 11 FEE Number of wells producing into battery (3)	Section <u>11</u> Township <u>14S</u> Range <u>38E</u> # //+ # 2/H # 3H (API# 30-025-42873; API# 30-025-42121; API# 30-025-42622
B.	Based upon oil production of150 averagebarrels per day, the estimated * volume	
	of gas to be flared is377 average	MCF; Valueper day.
C.	Name and location of nearest gas gathering facility: Immediate Area	
D.	Distance NA Estimated cost of connection NA	
E.	This exception is requested for the following reasons:	
	Steward Energy II, LLC (SE II) hereby request an exception to Rule 19.15.18.12 because Targa's Versado System,	
	due to pressure and gas quality constraints, cannot take all of SE II's contractual gas on their system 100 % of the time.	
	Interruptions can occur and it will be necessary for SE II to flare during these times.	
I hereby certify that the rules and regulations of the Oil Conservation		OIL CONSERVATION DIVISION Approved Until 06/30/2020
Signature W Proce w		By Flant
Printed Name & Title	Ben Barton SEII 03.23.2020 WPrice-Price LLC mgm consultant for SEII	Title
E-mail Addres	wayneprice@q.com S	Date03/25/2020

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

505-715-2809

Date Mar 23, 2020 Telephone No.