

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

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)

HOBBS OCD

A. Applicant Chevron USA Inc.
whose address is 15 Smith Rd., Midland, TX

AUG 05 2015

hereby requests an exception to Rule 19.15.18.12 for RECEIVED days or until
September 30, Yr 2015, for the following described tank battery (or LACT):

Name of Lease Gramma Ridge CTB Name of Pool _____

Location of Battery: Unit Letter B Section 14 Township 24S Range 34E

Number of wells producing into battery 3. See Attachment

B. Based upon oil production of ~250 barrels per day, the estimated * volume
of gas to be flared is ~ 500/month MCF; Value _____ per day.

C. Name and location of nearest gas gathering facility:

Targa

D. Distance 25miles Estimated cost of connection _____

E. This exception is requested for the following reasons: Third party facility is having intermittent compressor trouble at their facility. Gas goes back to sales when compressor comes back on.

OPERATOR

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.

Signature

Stephen Gwin

Printed Name & Title Stephen Gwin, HES Specialist

E-mail Address stephen.gwin@chevron.com

Date 8/1/2015 Telephone No. 575-263-0427

OIL CONSERVATION DIVISION

Approved Until

9/30/2015

By

Mark Brown

Title

Dist. Supervisor

Date

8/5/2015

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

AUG 06 2015



CURRENT WELL INFORMATION REPORT

Area HOBBS FMT
Sub Area HOBBS
Operator Route 8010010-- ROUTE 10
Collection Point GRAMMA RIDGE CTB

WELL NAME	API 14	WELL TYPE	PRD MTH	STATUS	OIL RATE	GAS RATE	WATER RATE
GRAMMA 14 2-H	3002541731	OP	PU	ACT	45	110.00	70
GRAMMA 14-1H	3002541811	OP	PU	ACT	120	270.00	152
GRAMMA 14-8H	3002542060	OP	NF	ACT	239	359.00	530