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

HOBBS OCD
JUL 07 2016
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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)

A. Applicant Chevron USA INC.,

whose address is 1616 W. Bender Blvd, Hobbs, NM 88240,

hereby requests an exception to Rule 19.15.18.12 for _____ days or until

August 30, Yr 2016, for the following described tank battery (or LACT):

Name of Lease Salado Draw 19 CTB Name of Pool Wildcat; Bone Spring

Location of Battery: Unit Letter C Section 18&19 Township 26S Range 33 E

Number of wells producing into battery 10, see attachment for list of wells NO ATTACHMENT

B. Based upon oil production of 4000 barrels per day, the estimated * volume

of gas to be flared is ~250 MCF; Value _____ per day.

C. Name and location of nearest gas gathering facility: Energy Transfer

D. Distance 0.5mi Estimated cost of connection _____

E. This exception is requested for the following reasons: Intermittent gas take away issues from the Ramsey Facility. Flaring for long periods of time is not expected.

SALADO DRAW 30-025-42659
18 26 33 #1H

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 Josepha DeLeon

Printed Name & Title Josepha DeLeon
E-mail Address jdxd@chevron.com

Date 06/30/2016 Telephone No. 575-263-0424

OIL CONSERVATION DIVISION

Approved Until 8/30/2016

By Maley B Brown

Title Dist Supervisor

Date 7/9/2016

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