District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 IOBBS OC District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 8750510V 1 0 2016

Date 11/10/2016

Telephone No. 432

202-1145

State of New Mexico Energy Minerals and Natural Resources

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)

Α.	Applicant VANGUARD OPERATING, LLC,								
	whose address is5847 SAN FELIP	PE, STE. 3000 HOUSTON, TEXAS 77057							
	hereby requests an exception to Rule 19	0.15.18.12 for7	days or until						
	, Yr	, for the following described tank battery (or	LACT):						
	Name of Lease <u>GRIZZELL B</u> Name	of Pool MULTIPLE; SEE ATTACHED WELL	LIST						
	Location of Battery: Unit LetterH	Section 8 Township 22S Range	<u>37E</u>						
	Number of wells producing into battery	77							
B.	Based upon oil production of	46barrels per day, the estimated	* volume						
- Lifely war of the se	of gas to be flared is <u>850</u>	MCF; Value	per day.						
C.									
	ENERGY TRANSFER JAL-3 PLAN	UT							
D.	DistanceEstima	ated cost of connection							
E.	This exception is requested for the following reasons:								
event at Energy Transfer's Jal-3 plant beginning 11/11/2016. List of wells attached. Maxe									
	contacted 11/07/2016 and verbal permission was granted.								
0.000	-								
Division have	R y that the rules and regulations of the Oil Conservation been complied with and that the information given al append to the best of my knowledge and belief.								
Signature	Kle D'Syman	- MajuzsBrown	0						
Printed Nam		By	1						
	verations Engineer T	Title Dist Super	uor						
E-mail Add	ress KZIMMerman@ Vnrlk. com	Date11/10/2016							



Facility Name: Grizzell B Battery

Well Name	API #	Footage	UL Se	C	Township	Range	Meridian	County	State	Pools
Grizzell B #1	30-025-10110	1,980' FNL & 1,980' FEL	G	8	225	37E	NMPM	Lea	NM	Blinebry O&G
Grizzell B #3	30-025-26457	1,830' FNL & 510' FEL	н	8	225	37E	NMPM	Lea	NM	Blinebry O&G Drinkard; Paddock; Wantz, Abo
Grizzell B #4	30-025-26713	1,838' FNL & 1,750' FEL	G	8	225	37E	NMPM	Lea	NM	Penrose Skelly, Grayburg
Grizzell B #5	30-025-36228	1,980' FNL & 810' FEL	н	8	225	37E	NMPM	Lea	NM	Eunice; San Andres, Southwest
Grizzell B #6	30-025-38825	2,310' FNL & 575' FEL	н	8	225	37E	NMPM	Lea	NM	Blinebry O&G
Grizzell B #7	30-025-37611	2,310' FNL & 2,310' FEL	G	8	225	37E	NMPM	Lea	NM	Eunice; San Andres, Southwest
Grizzell B #8	30-025-37829	2,310' FNL & 497' FEL	н	8	225	37E	NMPM	Lea	NM	Eunice; San Andres, Southwest; Penrose Skelly, Grayburg