District I
1625 N. French Dr., Hobbs, NM 8824**HOBES**CENERGY Minerals and Natural Resources
District II
811 S. First St., Artesia, NM 88210
Oil Conservation Division

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Revised August 1, 2011

Submit one copy to appropriate District Office

1000 Rio Brazos Road, Aztec, NM 87410 NOV 07 2017 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87 RECEIVED

NFO Permit No. __

(For Division Use Only)

Form C-129

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 6301 Deauville Blvd, M	<u>Midland, TX 79706</u>
hereby requests an exception to Rule 19.15.1	8.12 for 90 days or until
, Yr, for the following described tank battery (or LACT):	
Name of Lease Red Hills 2	Name of Pool Red Hills; Upper Bone Spring Shale
Location of Battery: Unit Letter P Sec	etion 2 Township 25S Range 33 E
Number of wells producing into battery	2 – See Below
B. Based upon oil production of 800	barrels per day, the estimated * volume
of gas to be flared is~600 MCF; Value	neper day.
C. Name and location of nearest gas gathering f	facility:
Antelope Ridge	
D. DistanceEstimated c	cost of connection
E. This exception is requested for the following reasons: DCP continues to have compressor trouble at their Antelope Ridge facility. Gas goes back to sales when compressor comes back on. Red Hills 2 25 33 #1H; Red Hills 2 25 33 #3H	
API# (30-025-41546; 30-025-41907)	
OPERATOR	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 2/7/2018
Signature _ Ciraytanna-Muillo	By Maly & Brown
Printed Name Cindy Herrera-Murillo	Title
& Title Permitting Specialist	Date 11/7/2017
E-mail Address <u>eeof@chevron.com</u>	·
Date 11/07/2017 Telephone No. 575-263-0431	

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