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

HOBBS OCD
JAN 29 2018
RECEIVED

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 6301 Deauville Blvd, Midland, TX 79706,

hereby requests an exception to Rule 19.15.18.12 for 90 days or until

_____, Yr 2018, for the following described tank battery (or LACT):

Name of Lease Talco 25 CTB Name of Pool Bone Spring

Location of Battery: Unit Letter D Section 25 Township 25S Range 35 E

Number of wells producing into battery 1- API # 30-025-42548

B. Based upon oil production of 580 barrels per day, the estimated * volume

of gas to be flared is ~50 MCF per day; Value _____ per day.

C. Name and location of nearest gas gathering facility:

Regency

D. Distance _____ Estimated cost of connection _____

E. This exception is requested for the following reasons: Chevron gas sales pipeline repair delays. Uncertain ability to proceed with 3rd party gas sales option

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 Cindy Herrera-Murillo

Printed Name & Title: Cindy Herrera-Murillo
Permitting Specialist
E-mail Address eeof@chevron.com

Date 01/26/2018 Telephone No. 575-263-0431

OIL CONSERVATION DIVISION

Approved Until 4/26/2018

By Maxey S Brown

Title AO/II

Date 1/29/2018

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