District I 1625 N. French Dr District II 811 S. First St., Ar District III 1000 Rio Brazos R District IV 1220 S. St. Francis	Mobbs, NM 88240 State of New Mexico Form C-129 Minerals and Natural Resources Form C-129 Minerals and Natural Resources Form C-129 Minerals and Natural Resources Ferror Minerals and Natural Resources Minerals and Natural Resources Form C-129 Minerals and Natural Resources Servised August 1, 2011 Minerals and Natural Resources Servised August 1, 2011 Submit one copy to appropriate District Office NFO Permit No. (For Division Use Only) (For Division Use Only) PPLICATION FOREEXCEPTION TO NO-FLARE RULE 19.15.18.12 NMAC and Rule 19.15.7.37 NMAC)		
А.	ApplicantMcElvain Energy Inc,		
	whose address is1050 17 th Street Ste. 2500_Denver Colorado 80265,		
	hereby requests an exception to Rule 19.15.18.12 for days or until		
	October 17,, Yr2018, for the following described tank battery (or LACT):		
	Name of LeaseMcElvain #7 (025-38040) Name of Pool _21655 E-K;DELAWARE		
	Location of Battery: Unit Letter J-25-18S-33E 1980 FSL 1980 FEL 🗸		
	Number of wells producing into battery1		
В.	Based upon oil production of22barrels per day, the estimated * volume		
	of gas to be flared is47MCF; Valueper day.		
C.	Name and location of nearest gas gathering facility:		
	Frontier Field Services		
D.	DistanceEstimated cost of connectionConnected		
E.	This exception is requested for the following reasons:Frontier Field Services has ceased purchasing the m this well due to high N2 content (>4%). To keep the well producing oil McElvain is requesting		

gas from this well due to high N2 content (>4%) To keep the well producing oil McElvain is requesting permission to combust the gas in an enclosed combustor (60" Cimarron). The volume of flared gas is being estimated by GOR calculation

OPERATOR	OIL CONSERVATION DIVISION		
I hereby certify that the rules and regulations of the Oil Conservation	e-10/-0.0		
Division have been complied with and that the information given above	Approved Until $\rightarrow /4/2018$		
is true and complete to the best of my knowledge and belief.			
Signature Tomplooper	Maderiakkan		
Signature / ongeogra	By		
Printed Name	1 a lat		
Printed Name	Title HO/IL		
& Title Tony Cooper Regulatory Mar.			
E-mail Address tong COncelucinicom.	Date 2/3/2018		
E-mail Address Tonge & Mervara Cont.			
- D C I C			
Date 2-9-18 Telephone No. 303 962 - 6489			

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