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

Form C-129
Revised August 1, 2011

Submit one copy to appropriate
District Office

HOBBS OCD
FEB 1 3 2018
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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 _____McElvain Energy Inc_____,

whose address is _____1050 17th Street Ste. 2500_Denver Colorado 80265_____,

hereby requests an exception to Rule 19.15.18.12 for _____days or until

_____October 17, _____, Yr __2018____, for the following described tank battery (or LACT):

Name of Lease __McElvain #8 (025-38012)   Name of Pool _21655 E-K;DELAWARE_

Location of Battery: Unit Letter _____   L-30-18S-34E   1905 FSL   660 FWL
Number of wells producing into battery __1_____

B. Based upon oil production of _____7_____barrels per day, the estimated * volume

of gas to be flared is _____11_____MCF; Value _____per day.

C. Name and location of nearest gas gathering facility:

_____Frontier Field Services_____

D. Distance _____Estimated cost of connection ____Connected_____ .

E. This exception is requested for the following reasons: __Frontier Field Services has ceased purchasing the 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 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 _____5/9/2018_____
Signature *Tony Cooper*	By _____Mary S Brown_____
Printed Name & Title _Tony Cooper Regulator Mgr_	Title _____AO/II_____
E-mail Address _tonyc@mcelvain.com_	Date _____2/13/2018_____
Date 2-9-18 Telephone No. 303 962-6489	

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