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

HOBBS OCD
MAY 10 2018
RECEIVED

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

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 Chisholm Energy Operating, LLC,

whose address is 801 Cherry Street, Suite 1200-Unit 20, Fort Worth, TX 76102,

hereby requests an exception to Rule 19.15.18.12 for 5 days or until

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

Name of Lease LAGUNA 23 FED COM BATTERY Name of Pool LEA; BONE SPRING, SOUTH

Location of Battery: Unit Letter _____ Section 23 Township 20S Range 34E

Number of wells producing into battery 3

B. Based upon oil production of 95 barrels per day, the estimated * volume

of gas to be flared is 220 MCF; Value _____ per day.

C. Name and location of nearest gas gathering facility:

TARGA-SECT.36/T19S/R36E; LEA COUNTY

D. Distance _____ Estimated cost of connection _____

E. This exception is requested for the following reasons: PIPELINE CURTAILMENT

LAGUNA 23 FEDERAL COM #1H, LAGUNA 23 FEDERAL COM #2H,

& LAGUNA 23 FEDERAL COM #3H

#1H 30-025-40742
#2H -40697
#3H -41946

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 _____
Signature *Jennifer Elrod*	By _____
Printed Name & Title Jennifer Elrod/Sr. Regulatory Tech	Title SUBJECT TO APPROVAL BY BLM
E-mail Address jelrod@chisholmenergy.com	Date _____
Date 05/08/2018 Telephone No. 817-953-3728	

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

Accepted for Record Only
MBrown 5/10/2018