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 3 1 2018

RECEIVED

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

NFO Permit No. _____
(For Division Use Only)

Form C-129
Revised August 1, 2011

Submit one copy to appropriate
District Office

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 _____ days or until

___JULY, 1___, Yr _2018_, for the following described tank battery (or LACT):

Name of Lease ___GAZELLE 32 STATE COM 2BS 1H & 2Y___ Name of Pool ___CORBIN; BONE SPRING, SOUTH___

Location of Battery: Unit Letter ___D___ Section _32_ Township _18S_ Range _33E_

Number of wells producing into battery _2_

B. Based upon oil production of ___220___ barrels per day, the estimated * volume

of gas to be flared is ___350___ MCF; Value _____ per day.

C. Name and location of nearest gas gathering facility:

___DCP MIDSTREAM___

D. Distance _____ Estimated cost of connection _____

E. This exception is requested for the following reasons: _____

___PIPELINE CURTAILMENT

___REPRESENTATIVE FOR CHISHOLM ENERGY OPERATING WILL BE ON LOCATION

___LEA COUNTY FIRE MARSHAL WILL BE NOTIFIED THAT THESE WELLS WILL BE FLARING

1H-30-025-43906
2H-30-025-44192

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 ___7/1/2018___
Signature *Jennifer Elrod*	By *Mary A Brown*
Printed Name & Title ___JENNIFER ELROD; SR. REGULATORY TECH___	Title ___AE/II___
E-mail Address ___jelrod@chisholmenergy.com___	Date ___5/31/2018___
Date 05/31/2018 Telephone No. 817-953-3728	

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