

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

JUL 02 2018

NFO Permit No. \_\_\_\_\_  
(For Division Use Only)

**RECEIVED**  
**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 90 days or until  
\_\_\_\_\_, Yr   , 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**

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 Jennifer Elrod

Printed Name  
& Title JENNIFER ELROD; SR. REGULATORY TECH

E-mail Address jelrod@chisholmenergy.com

Date 05/31/2018 Telephone No. 817-953-3728

**OIL CONSERVATION DIVISION**

Approved Until 10/2/2018

By Maley Brown

Title AO/E

Date 7/2/2018

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