District I 1625 N. French Dr., Hobbs, NM 88240 Bistrict II District II 1000 Rio Brazos Road, Aztec, NM 87410 District IV State of New Mex1co Fnergy Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 State of New Mex1co Form C-12 Revised August 1, 20 Submit one copy to appropria District Official	ate ice
1220 S. St. Francis Dr., Santa Fe, NM 87505 RECEIVED , (For Division Use On)	Īу)
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)	
(See Rule 19.13.18.12 NWAC and Rule 19.13.7.37 NWAC)	
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 for90days or unt	il
, Yr, for the following described tank battery (or LACT):	
Name of Lease ANTLER 17 STATE Name of Pool ROCK LAKE; BONE SPRING	
Location of Battery: Unit Letter <u>M</u> Section <u>17</u> Township <u>22S</u> Range <u>35E</u>	
Number of wells producing into battery 2 (ANTLER 17 STATE 1BS 2H & ANTER 17 STATE 2B	S 3H)
B. Based upon oil production of <u>220</u> barrels per day, the estimated * volume	
of gas to be flared is <u>300</u> MCF; Value per day.	
C. Name and location of nearest gas gathering facility:	
3 BEAR DELAWARE OPERATING-NM. LLC LIBBY GAS PROCESSING PLANT-SEC. 26, TWN. 20S, RNG. 34E, EDDY COUNTY, NM	
D. DistanceEstimated cost of connection	
E. This exception is requested for the following reasons: WAITING ON PIPELINE	
A REPRESENTATIVE FOR CHISHOLM ENERGY OPERATING, LLC WILL BE ON LOCATION	I
LEA COUNTY FIRE MARSHAL WILL BE NOTIFIED THAT THESE TWO WELLS WILL BE FLAR	NG
2H-30-025-44142; 3H-30-025-44143 FLOWBACK BEGAN 05/30/2018	
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 <u>Jennifer Elrod</u> By Maley Strown	
Printed Name & Title	_
E-mail Address_jelrod@chisholmenergy.com Date 7/24/2018	-
Date 05/31/2018 Telephone No. 817-953-3728	

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