

HOBBS OCD

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

JUN 25 2019

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 Ridgeway Arizona Oil Corp. (164557),
whose address is 1250 Wood Branch Park Drive, Houston, TX 77079,

hereby requests an exception to Rule 19.15.18.12 for Sixty (60) days or until
September 1, Yr 2019, for the following described tank battery (or LACT):

Name of Lease Haley Chaveroo SA Unit Name of Pool Chaveroo San Andres (12049)

Location of Battery: Unit Letter P Section 34 Township 7 S Range 33 E

Number of wells producing into battery 2 (API 041-20948 and 041-20976)

B. Based upon oil production of 500 barrels per day, the estimated * volume
of gas to be flared is 425 MCF; Value \$800.00 per day.

C. Name and location of nearest gas gathering facility:
Targa Saunders Gas Plant - Lovington, NM

D. Distance 3,900' Estimated cost of connection \$ 39,000.00

E. This exception is requested for the following reasons: A previous exception was granted which expires July 1, 2019 to allow for the construction of flowlines to hook up these wells to sales. Unexpected delays have put the project behind schedule and anticipated completion is now July 14th 2019.

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 William Boyd

Printed Name & Title William Boyd Land & Regulatory Mgr

E-mail Address wboyd@pedevco.com

Date 6/24/2019 Telephone No. (713) 496-0986

OIL CONSERVATION DIVISION

Approved Until 9-1-19

By Rick Rickman

Title DIST 1 SUPV

Date 6-25-19

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