

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 87414
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

MAR 05 2020

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 Ameredev Operating, LLC,
whose address is 5707 Southwest Parkway, Building 1, STE 275, Austin, TX 78735,
hereby requests an exception to Rule 19.15.18.12 for 90 days or until

June 1st, Yr 2020, for the following described tank battery (or LACT):

Name of Lease Azalea 26 36 28 STATE [319731] Name of Pool WC-025 G-09 S263619C; UPR Wolfcamp

Location of Battery: Unit Letter D Section 28 Township 26S Range 36E

Number of wells producing into battery 2: (30-025-44229) & (30-025-44104)

B. Based upon oil production of 500 barrels per day, the estimated * volume
of gas to be flared is 135,000 MCF; Value 1,500 per day.

C. Name and location of nearest gas gathering facility:
Energy Transfer Company - Jal Plant

D. Distance 2 Miles Estimated cost of connection \$2,000,000

E. This exception is requested for the following reasons: We are currently connected and sending gas to
3rd party takeaway. We are having to flare gas due to pipeline limitations and unexpected shutdowns.
We are currently working on infrastructure to connect to additional 3rd party takeaway.

CTB: Azalea CTB ; Wells: Azalea 26 36 28 State Com 121Y (30-025-44229) & Azalea 26 36 28 State Com 111H (30-025-44104)

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 Shane McNeely
Printed Name
& Title Shane McNeely - Engineer
E-mail Address smcneely@ameradev.com
Date 3/1/20 Telephone No. 737-300-4729

OIL CONSERVATION DIVISION
Approved Until 06/01/2020
By [Signature]
Title Petroleum Engineer
Date 03/05/2020

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