

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

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 COG Operating LLC,
whose address is One Concho Center, 600 W. Illinois Ave., Midland, TX 79701,
hereby requests an exception to Rule 19.15.18.12 for 30 days or until
June 7, Yr 2013, for the following described tank battery (or LACT):
Name of Lease Yale State Name of Pool Loco Hills; Glorieta-Yeso
Location of Battery: Unit Letter N Section 2 Township 17S Range 30E
Number of wells producing into battery 36
- B. Based upon oil production of 275 barrels per day, the estimated * volume
of gas to be flared is 1000 MCF; Value _____ per day.
- C. Name and location of nearest gas gathering facility:
DCP Linam
- D. Distance _____ Estimated cost of connection _____
- E. This exception is requested for the following reasons: DCP shutting in gas.
(API # 30-015-37459)

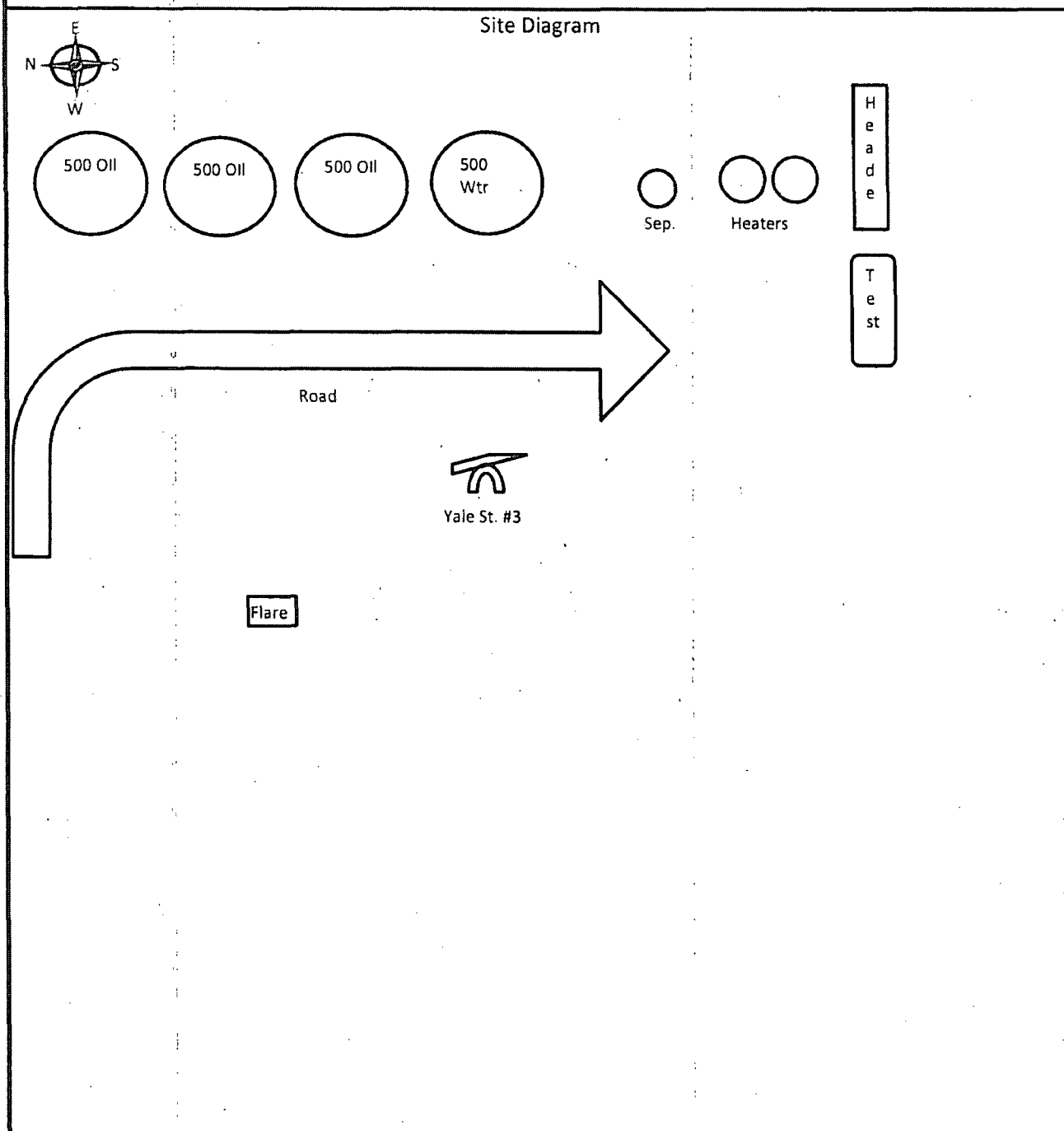
OPERATOR I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature <u>[Signature]</u> Printed Name & Title <u>Kanicia Castillo</u> E-mail Address <u>kcastillo@concho.com</u> Date <u>5/07/13</u> Telephone No. <u>432-685-4332</u>	OIL CONSERVATION DIVISION Approved Until <u>June 15 - 2013</u> By <u>[Signature]</u> Title <u>Dist # Supervisor</u> Date <u>May 7 - 2013</u>
--	---

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

★ SEE ATTACHED COA'S

Flare Request Form

Battery-	Yale St. Lease		
Production-	275 Oil, 850 Wtr, 1000 MCF		
Total BTU of Htrs-	3,000,000		
Flare Start Date-	5/7/2013	Flare End Date-	6/7/2013
UL Sec-T-R-	Unit N, Sec.2-T17S-R30E	GPS-	32.8569 / 103.9455
# of wells in bty-	36	# of wells to be flared-	36
Reason For Flare-	DCP Linam plant shutdown for repairs		
Gas purchaser- DCP			



Yale State Lease

Well #	API Number
1	30-015-37459
2	30-015-38265
3	30-015-37452
4	30-015-38080
5	30-015-37453
6	30-015-38208
7	30-015-37454
8	30-015-38081
9	30-015-38950
10	30-015-38267
11	30-015-39200
12	30-015-38205
13	30-015-38489
14	30-015-38490
15	30-015-39201
16	30-015-38206
17	30-015-37460
18	30-015-38491
19	30-015-37455
20	30-015-39202
21	30-015-37456
22	30-015-38495
23	30-015-37457
24	30-015-38496
25	30-015-39203
26	30-015-38492
27	30-015-39737
28	30-015-39204
29	30-015-39205
30	30-015-39206
31	30-015-38947
32	30-015-38498
33	30-015-37458
34	30-015-38493
35	30-015-39160
36	30-015-39161

NEW MEXICO OIL CONSERVATION DIVISION
DISTRICT 2 OFFICE
811 SOUTH FIRST STREET
ARTESIA, NM 88210
(575)748-1283

CONDITIONS OF APPROVAL for FLARING or VENTING GAS

1. Venting gas is absolutely not allowed.
2. Prior to flaring gas, C-129 must be filed & approved. Blanket approval cannot be given for this operation.
3. Flared volumes of gas are to be metered & reported.
4. Flares WILL be manned at all times. Brush should be cut down to 1 or 2 inches around flare stack at least a radial distance of 2 times the height of the flare stack.
5. Flares WILL NOT be left unattended.
6. No flaring operations to be conducted during red-flag days.
<http://www.gacc.nifc.gov/swcc> (go to "Predictive Services" on SWCC website) to check for red flag warnings.
7. Follow safe practices for flaring guidelines.
8. Permit may be rescinded at any time by NMOCD.
9. If well is able to be connected to a gas gathering system, it will be done so as soon as possible.
10. Flaring of gas is prohibited. The State Forester grants an exception to the prohibition on open fires for the flaring of natural gas when the following conditions are met. Unless flaring is needed for safety purposes, flaring pursuant to this exception shall not be done on days that are "red flag days" as determined by the National Weather Service or on days when the sustained wind is in excess of 25 miles per hour in the area.
11. 1. The day is not a "red flag day" as determined by the National Weather Service and the sustained wind is not in excess of 25 miles per hour in the area.

12.2. The local fire department and county dispatch are notified at least 24 hours in advance of anticipated releases that will result in flaring. If flaring is done by an automated system then the schedule of flaring shall be provided to the local fire department and county dispatch. The area is mowed and maintained at a length not to exceed 4 inches and all other flammable products or debris shall be cleared in the area for a distance of one and one half times the height of the stack.

13.3. At least one adult is on site with communications equipment adequate to reach county dispatch and the local fire department in the event of a fire. The individual should also be equipped with a shovel and a water backpack pump or other equipment to deliver water to suppress a fire.

~~14.4. If flaring is to take place at an unmanned facility, then the area around the flare stack is mowed and maintained at a length not to exceed 4 inches and all other flammable products or debris shall be cleared in the area for a distance of three times the height of the stack.~~

Your initials here

11

RDade
5/7/2013

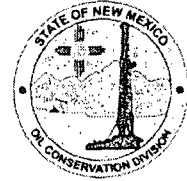
State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John Bemis
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



March 19, 2013

FOR IMMEDIATE RELEASE

Contact: Jim Winchester (505)231-8800 E-Mail: jim.winchester@state.nm.us

Notice to Oil and Gas Facilities and Operators Flaring Gas in New Mexico

SANTA FE, NM – The Oil Conservation Division (OCD) encourages all oil and gas facilities with flare stacks and well operators that are flaring gas to upgrade their *Fire Awareness Programs* this year. New Mexico State Forestry reports that 460 fires have burned 25,475 acres on state and private land in calendar year 2012.

Forecasts remain dismal this spring with fewer chances for normal precipitation, particularly in southwestern New Mexico and southeastern Arizona. Temperatures could also be higher than normal.

Open flames and gas flares should be monitored carefully and oil and gas operators should create a defensible space to help prevent wildfires. Defensible Space is the area around a structure where combustible vegetation that can spread fire has been cleared, reduced or replaced. This space acts as a barrier between a structure and an advancing wildfire.

During the course of the upcoming fire season, it may become necessary for New Mexico State Forestry to issue fire restriction on State and private land. Log on to www.nmforestry.com for updates or call your local district office.

New Mexico State Forestry offers the following guidelines for establishing effective defensible space:

- Create a "Lean, Clean and Green" firebreak area by removing flammable vegetation and growth within 30 feet of each structure. Single trees and shrubs may be retained if they are well spaced, pruned and placed so they avoid the spread of fire. Maintain an irrigation system for any vegetation near structures.
- Keep grass and weeds mowed.
- Prune lower tree limbs to at least 6 feet up to 15 feet (or lower 1/3 of branches on smaller trees).
- Remove vegetation and debris around propane tanks.

For the latest fire weather information please visit USDA Forest Service website:
<http://activefiremaps.fs.fed.us/current.php>

###

The Energy, Minerals and Natural Resources Department provides resource protection and renewable energy resource development services to the public and other state agencies.