

Submit 1 Copy To Appropriate District Office  
District I - (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II - (575) 748-1283  
811 S. First St., Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV - (505) 476-3460  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
Revised August 1, 2011

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO. 30-015-41064
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Staley State
8. Well Number 23
9. OGRID Number 281994
10. Pool name or Wildcat Red Lake; Glorieta-Yeso, NE

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator LRE Operating, LLC	
3. Address of Operator 1111 Bagby Street Suite 4600, Houston, TX 77002	
4. Well Location Unit Letter <u>H</u> <u>1755</u> feet from the <u>North</u> line and <u>970</u> feet from the <u>East</u> line Section <u>30</u> Township <u>17S</u> Range <u>28E</u> NMPM Eddy County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3586' GL	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL. <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: Flaring Gas <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Requesting to flare due to Force Majeure maintenance event affecting the Frontier's Empire Abo Gas Plant.

Estimated Volume - 650 MCFPD

Estimated Time - 30 days (intermittent)

Verbal approval given by Randy Dade w/ OCD on Feb 26, 2014.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Michael Barrett TITLE Production Supervisor DATE 02/27/2014

Type or print name Michael Barrett E-mail address: mbarrett@limerockresources.com PHONE: 575-623-8424

For State Use Only

APPROVED BY: Randy Dade TITLE Asst. Production Supervisor DATE 2/27/14  
Conditions of Approval (if any):

See Attached COA's

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 LRE Operating, LLC,  
 whose address is 1111 Bagby Street, Suite 4600, Houston, TX 77002,  
 hereby requests an exception to Rule 19.15.18.12 for 30 days or until

Yr \_\_\_\_\_, for the following described tank battery (or LACT):

Name of Lease Staley State Battery      Name of Pool Red Lake; Glorieta-Yeso NE

Location of Battery: Unit Letter H Section 30 Township 17S Range 28E

Number of wells producing into battery 12 30-015-41064

B. Based upon oil production of N/A barrels per day, the estimated \* volume of gas to be flared is 650 MCF; Value N/A per day.

C. Name and location of nearest gas gathering facility:

Frontier's Empire Abo Gas Plant ("Empire Abo")

D. Distance N/A Estimated cost of connection N/A

E. This exception is requested for the following reasons:

Requesting to flare gas due Force Majeure maintenance event affecting Frontier's Empire Abo  
Empire Gas Plant.

30-015-41064

## 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 

Printed Name  
& Title Michael Barrett - Production Supervisor

E-mail  
Address [mbarrett@limerockresources.com](mailto:mbarrett@limerockresources.com)

Date 02/27/2014 Telephone No. 575-623-8424

## OIL CONSERVATION DIVISION

Approved Until Mar 30 2014

By R. Wade

Title Asst. H. Spawson

Date 2/27/14

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

See Attached CJA's

**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

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RD  
2/27/14

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**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](mailto: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](http://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>

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