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

2

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-129 Revised August I, 2011

Submit one copy to appropriate District Office

NFO Permit No.

(For Division Use Only)

APPEICATION FOR EXCEPTION TO NO-FLARE RULE 19.15.18.12 (See Rule 19.15.18.12 NMAC and Rule 19.15.7.37 NMAC)

А.	Applicant Apache Corporation			
	whose address is, 1945 Bluestem Road, Artesia, NM 88210			
	hereby requests an exception to Rule 19.15.1	8.12 for90	days or unfil	
	, Ŷſr,	for the following described tank battery (or l	LACT):	
	Name of Lease A State 40 Battery	Name of Pool Yeso	,	
	Location of Battery: Unit Letter	Section <u>26</u> Township <u>178</u> Range	28E	
	Number of wells producing into battery			
В.	Based upon oil production of	0barrels per day, the estimated *	volume	
	of gas to be flared is	MCF; Value	per day.	
C	Name and location of nearest gas gathering f	acility:		
	Frontier Empire Abo Unit	· · · · · · · · · · · · · · · · · · ·		
D.,	DistanceEstimated cost of connection			
E.	This exception is requested for the following reasons: Frontier Empire Abo Unit Gas Plant			
	cannot take our gas at this new battery. This is an extension to the permit that			
	expires 03/31/2014.			
			· · · · · · · · · · · · · · · · · · ·	
Division have be	that the rules and regulations of the Oil Conservation een complied with and that the information given above lete to the best of my knowledge and belief.	OIL CONSERVATION DIVISION Approved Until Cerel 30	Ð14	
Printed Name & Title	Fatima Vasquez - Regulatory Analyst II	Title ST & Super	isin	
E-mail Addre	Fatima.Vasquez@apachecorp.com	Date Mar 11, 2014	· · ·	
Date 03/07/	^{/2014} Telephone No. (432) 818-1015	· ·		
* Gas-Oil rat	io test may be required to verify estimated gas	volume MAS		

Submit 1 Copy To Appropriate District	State of New Mexico	Form C-103			
Office <u>District 1</u> – (575) 393-6161	Energy, Minerals and Natural Res	ources Revised August 1, 2011			
1625 N. French Dr., Hobbs, NM 88240 District II - (575) 748-1283		WELL API NO.			
811 S. First St., Artesia, NM 88210 District III – (505) 334-6178	OIL CONSERVATION DJVI 1220 South St. Francis Dr	5. Indicate Type of Lease			
1000 Rio Brazos Rd., Aztec, NM 87410 District IV – (505) 476-3460	Santa Fe, NM 87505	STATE FEE 6. State Oil & Gas Lease No.			
1220 S. St. Francis Dr., Santa Fe, NM	o, state off & Gas Ecuse No.				
87505 SUNDRY NOTIC	ES AND REPORTS ON WELLS	7. Lease Name or Unit Agreement Name			
(DO NOT USE THIS FORM FOR PROPOSA DIFFERENT RESERVOIR. USE "APPLICA	TO A				
PROPOSALS.)	as Well 🗍 Other	8. Well Number			
1. Type of Well: Oil Well C 2. Name of Operator	9. OGRID Number				
Apache Corporation	· · · · · · · · · · · · · · · · · · ·	873			
3. Address of Operator	10. Pool name or Wildcat				
303 Veterans Airpark Lane, Suite 300 4. Well Location		· Yeso			
Unit Letter	feet from the	ine and feet from the line			
Section 26	Township 17S Range 28				
	11. Elevation (Show whether DR, RKB, I	RT, GR, etc.)			
12 Check At	propriate Box to Indicate Nature of	of Notice Report or Other Data			
	· · ·	•			
NOTICE OF INT PERFORM REMEDIAL WORK	·	.SUBSEQUENT REPORT OF: EDIAL WORK			
al .					
OTHER: Flare Permit	☑ OTHE				
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.					
Apache is requesting permission to flare gas from the A State #40 Battery. Intermittent flaring will occur due to Frontier's inability to take					
our gas at this battery so we will nee	d to flare it. Gas will be measured prior to	o flaring.			
30-015-38545 A State #40	30-015-41022 A State #80				
30-015-38549 A State #48	30-015-41023 A State #81				
30-015-38963 A State #49 30-015-38967 A State #59	30-015-41181 A State #82				
30-015-38968 A State #60					
30-015-41053 A State #73 30-015-41054 A State #74					
30-015-41010 A State #79					
Spud Date:	Rig Release Date:				
	L	· · · ·			
Lhereby certify that the information a	pove is true and complete to the best of n	w knowledge and belief			
		i kilowide and benot.			
SIGNATURE	TITLE Regulatory A				
SIGNATORE		DATE_03/07/2014			
Type or print name Fatima Vasquez	E-mail address: Fatim	ha Vasquez@apachecorp.com PHONE: (432) 818-1015			
For State Use Only	and la	I must Bluling			
APPROVED BY					
Conditions of Approval (if any):					
-+	Affect A 1	\mathcal{A}			
$ \rangle \rightarrow 0$ t	FIICARCE 1	VIII S			
X OF .					
E .					

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. <u>http://www.gacc.nifc.gov/swcc</u> (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. <u>Flaring of gas is prohibited</u>. 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.

FRD 3/11/14

Your initials here

11

State of New Mexico Energy, Minerals and Natural Resources Department

Jami Bailey, Division Director

Oil Conservation Division

Susana Martinez Governor

David Martin Cabinet Secretary

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

March 7, 2014

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 362 fires burned 6,879 acres on state and private land in calendar year 2013.

Forecasts remain dismal this spring with fewer chances for normal precipitation, particularly in southwestern New Mexico and southeastern Arizona. Temperatures are expected to 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.

This means that as a general rule of thumb, the area around staffed flaring facilities should be mowed and maintained at a length not to exceed 4 inches and all other flammable products or debris should be cleared in the area for a distance of at least one and one half times the height of the stack.

If flaring is to take place at an unstaffed facility, then the mowed area around the flare stack should be increased to three times the height of the stack. On "red flag" days local fire departments should be notified prior to the flaring operations.

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 <u>www.nmforestry.com</u> for updates or to get information on how contact your local State Forestry District office.

For the latest fire weather information please visit USDA Forest Service website: <u>http://gacc.nifc.gov/swcc/predictive/outlooks/monthly/swa_monthly.pdf</u>

###

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

