DISTRICT I 1625 N. French Drive, Hobbs, NM 88240 DISTRICT II 1301 W. Grand Ave., Artesia, NM 88210 DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

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State of New Mexico Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION 1220 South St. Francis Drive

Santa Fe, NM 87505

Submit 3 Copies to Appropriate District Office

NFO Permit No. __________(For Division Use Only)

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APPLICATION FOR	EXCEPTION TO NO-FLARE RULI	E 306

(See Rule 306 and Rule 1129)

Α.	ApplicantMa	ack Energy Corporation	,		
ak -	whose address is P.O. Box 960; Artesia, NM 88211-0960,				
	hereby requests an exception to Rule 306 for	or365	days or until		
	20	, for the following describe	d tank battery (or LACT):		
	Name of LeaseMosquito State (30-005-6	•			
	Location of Battery: Unit Letter <u>O</u> S	Section <u>5</u> Township	<u>14S</u> Range <u>29E</u>		
	Number of wells producing into battery	2			
В.	Based upon oil production of30	0barrels per da	y, the estimated * volume		
	of gas to be flared is <u>TSTM</u> M	ICF; Value	per day		
C.	Name of location of nearest gas gathering facility:				
	D	CP Midstream			
D.	Distance7.5 milesEstimated cos	st of connection _Dependent	on production volume		
E.	This exception is requested for the following reasons: The gas from this lease is to small				
	measure.	g 10000110	/		
	WILL NOT ADDING (2.129 For	RECEIVED		
	mare than comont	ths	APR 2 9 2014		
	more than Le mont	ths			
	more than Le mont	ths			
ERATOR	· · · · · · · · · · · · · · · · · · ·	COIL CONSERVATION D	NMOCD ARTESIA		
eby certify that t sion have been o	the rules and regulations of the Oil Conservation complied with and that the information given above is	OIL CONSERVATION D	NMOCD ARTESIA		
eby certify that t sion have been o and complete to	the rules and regulations of the Oil Conservation	OIL CONSERVATION D	NMOCD ARTESIA		
eby certify that t sion have been o	the rules and regulations of the Oil Conservation complied with and that the information given above is	OIL CONSERVATION D Approved Until By	NMOCD ARTESIA		
eby certify that is sion have been of and complete to gnature	the rules and regulations of the Oil Conservation complied with and that the information given above is	OIL CONSERVATION D Approved Until By Title	NMOCD ARTESIA		
eby certify that is sion have been of and complete to gnature	the rules and regulations of the Oil Conservation complied with and that the information given above is the best of my knowledge and belief.	OIL CONSERVATION D Approved Until By	NMOCD ARTESIA		

See Attached COA'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. <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.

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>

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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.

> 1220 South St. Francis Drive • Santa Fe, New Mexico 87505 Phone (505) 476-3460 • Fax (505) 476-3462 • www.emnrd.state.nm.us/ocd

