

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 Devon Energy Production Company, L.P.,  
whose address is 333 West Sheridan Avenue, Oklahoma City, OK 73102,  
hereby requests an exception to Rule 19.15.18.12 for 30 days or until  
N/A, Yr N/A, for the following described tank battery (or LACT):  
Name of Lease NMNM14768 Name of Pool Avalon; Bone Spring, East  
Location of Battery: Unit Letter \_\_\_\_\_ Section 9 Township 21S Range 27E  
Number of wells producing into battery 2 wells: Cerf 10 Fed 3H(30-01541058) & 4H(30-015-41059)
- B. Based upon oil production of 100 barrels per day, the estimated \* volume  
of gas to be flared is 462 MCF; Value \_\_\_\_\_ per day.
- C. Name and location of nearest gas gathering facility:  
DCP
- D. Distance \_\_\_\_\_ Estimated cost of connection \_\_\_\_\_
- E. This exception is requested for the following reasons: \_\_\_\_\_  
Devon requests flare exception due to DCP Rambo Compressor Station problems with their  
fuel. We are requesting 14 days to start 01.19.16 and end on 02.02.16

**NM OIL CONSERVATION**  
ARTESIA DISTRICT

MAR 14 2016

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**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 Erin Workman, Regulatory Compliance Analyst

E-mail Address Erin.workman@dvn.com

Date 1/20/16 Telephone No. 405-552-7970

**OIL CONSERVATION DIVISION**

Approved Until 3/31/2016

By Per Randy Dade, Form 3160-5

Title \_\_\_\_\_

Date 3/29/16

\* See Attached C.D.A.'s

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

BUREAU OF LAND MANAGEMENT  
Carlsbad Field Office  
620 East Greene Street  
Carlsbad, New Mexico 88220  
575-234-5972

Devon Energy Production Co.  
Cerf 10 Federal 3H and 4H  
NMNM14768

03/08/2016

This field office has evaluated the attached Notice of Intent as a request for flaring/venting beyond NTL-4A allowable thresholds (reasons, timeframes and volumes), and has determined the following Conditions of Approval apply.

**Condition of Approval to Flare Gas**

1. Comply with NTL-4A requirements
2. Subject to like approval from NMOCD
3. **Flared volumes are considered "avoidably lost" and will require payment of royalties. Volumes shall be reported on OGOR "B" reports as disposition code "08"**
4. "Avoidably lost" flare volumes shall be metered due to their royalty bearing status. Install gas meter on vent/flare line to measure gas prior to venting/flaring operations if it is not equipped as such at this time.
5. Vent/flare gas metering to meet all requirements for a sales meter as per Federal Regulations, Onshore Order #5 and NTL 2008-01. Include meter serial number on sundry (form 3160-5).
6. This approval does not authorize any additional surface disturbance.
7. An updated facility diagram is required within 60 days of modifications to existing facilities per Onshore Order #3.
8. Approval not to exceed 90 days, (from 01/01/2016 to 3/31/2016), if flaring is still required past 90 days submit new request for approval.
9. Submit Subsequent Report with actual volumes of gas flared for each month gas is flared on a sundry form 3160-5.

**Definition:** As per **NTL-4A II. A.** "Avoidably lost" production shall mean the venting or flaring of produced gas without the prior authorization, approval, ratification, or acceptance of the Supervisor and the loss of produced oil or gas when the Supervisor determines that such loss occurred as a result of (1) negligence on the part of the lessee or operator, or (2) the failure of the lessee or operator to take all reasonable measures to prevent and/or to control the loss, or (3) the failure of the lessee or operator to comply fully with the applicable lease terms and regulations, appropriate provisions of the approved operating plan, or the prior written orders of the Supervisor, or (4) and combination of the foregoing.

**43CFR3162.7-1 (a)** The operator shall put into marketable condition, if economically feasible, all oil, other hydrocarbons, gas and sulphur produced from the leased land.

**43CFR3162.1 (a)** The operating rights owner or operator, as appropriate, shall comply with applicable laws and regulations; with the lease terms, Onshore Oil and Gas Orders, NTL's; and with other orders and instructions of the authorized officer. These include, but are not limited to, conducting all operations in a manner which ensures the proper handling, measurement, disposition, and site security of leasehold production; which protects other natural resources and environmental quality; which protects life and property; and which results in maximum ultimate economic recovery of oil and gas with minimum waste and with minimum adverse effect on ultimate recovery of other mineral resources.

**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

*AB*  
*For Randy*  
*Dade*

DATE: 3/29/16

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Susana Martinez**  
Governor

**David Martin**  
Cabinet Secretary

**Tony Delfin**  
Deputy Cabinet Secretary

**David Catanach**  
Division Director  
Oil Conservation Division



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>

###

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Susana Martinez**  
Governor

**David Martin**  
Cabinet Secretary

**Tony Delfin**  
Deputy Cabinet Secretary

**David R. Catanach, Division Director**  
Oil Conservation Division



### NOTICE TO OPERATORS

The Oil Conservation Division ("OCD") has been tasked to study flaring and develop a gas capture plan by the end of the year with the ultimate goal to reduce natural gas emissions.

Current OCD reporting has no specific method to differentiate flared and vented volumes reported on C-115 reports. This prevents the OCD from having quantifiable flaring data per Rule 19.15.18.12.F NMAC.

Therefore, to collect flaring volumes and differentiate actual vented volumes going forward, NMOCD will implement a new "Non-Transported Disposition" Code (for gas) to be reported on the C-115 reports. The new code will be "F" for Flared. The new code "F" is to be used to report the volume of gas that is flared on a well basis, or total volume if flared at a common battery or gathering system and reported under one point of disposition. Operators must report vented and flared volumes separately to their respective "Non Transported Disposition" code ("V" for vented and "F" for flared).

The change will become effective for the November 2015 production month with reporting due by January 15, 2016.

The NMOCD will be conducting operator outreach training sessions in the Southeast and Northwest to provide information and answer questions regarding the process.

Meeting notices will be posted on NMOCD website at:  
<http://www.emnrd.state.nm.us/OCD/announcements.html>

The C-115 instructions are available on NMOCD website at:  
[http://www.emnrd.state.nm.us/OCD/documents/eC115\\_FullInstructions.pdf](http://www.emnrd.state.nm.us/OCD/documents/eC115_FullInstructions.pdf)

## **RULES**

### **19.15.7.24 OPERATOR'S MONTHLY REPORT (Form C-115):**

*A. An operator shall file a form C-115 for each non-plugged well completion for which the division has approved a form C-104 and for each secondary or other enhanced recovery project or pressure maintenance project injection well or other injection well within the state, setting forth complete information and data indicated on the forms in the order, format and style the director prescribes. The operator shall estimate oil production from wells producing into common storage as accurately as possible on the basis of periodic tests.*

### **19.15.18.12 CASINGHEAD GAS:**

*F. Pending connection of a well to a gas-gathering facility, or when a well has been excepted from the provisions of Subsection A of 19.15.18.12 NMAC, the operator shall burn all gas produced and not used, and report the estimated volume on form C-115.*

Thank you for your assistance in this matter. If you have any questions please contact the appropriate OCD District Office.

Sincerely,



David R. Catanach  
Director, Oil Conservation Division

**From:** Whitlock, Jerald  
**To:** Workman, Erin  
**Cc:** jamason@blm.gov; McMahan, Mike; Kidd, Kenny; Peach, Danny; Christopher Walls; Jennifer Sanchez; Stephen Caffey  
**Subject:** Re: Flaring Permits  
**Date:** Wednesday, January 20, 2016 8:45:11 AM

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Verbal was given with the COA if flare over 24 hr. they could shut the wells in or pay royalties on the flared volumes. Thanks Duncan

On Tue, Jan 19, 2016 at 3:04 PM, Workman, Erin <[Erin.Workman@dyn.com](mailto:Erin.Workman@dyn.com)> wrote:

Good afternoon! I received a verbal from Duncan Whitlock to flare the following batteries due to the DCP Rambo Compressor Station problems with their fuel gas lines to the compressor:

BFDU52/56

Wells involved: 49, 50, 51, 52, 54, 55, 56, & 58

Average BOPD 300

Average MCFPD 3.8

BFDU 61/62

Wells involved BFDU 61, 62, 53, & 57.

Average BOPD 462

Average MCFPD 1.8

Cerf Battery 10-3 and 10-4.

Wells affected Cerf 10-3/ Cerf 10-4.

Average BOPD 100

Average MCFPD 462

\* We are asking for 14 days starting today 01.19.16 to 02.02.16. I will submit the 3160-5 for each of these batteries. Thank you and have a great day.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS NMOC**  
**Do not use this form for proposals to drill or to re-enter an**  
**abandoned well. Use form 3160-3 (APD) for such proposals.**  
**Artesia**5. Lease Serial No.  
NMNM14768

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.  
CERF 10 FEDERAL 3H9. API Well No.  
30-015-41058-00-S110. Field and Pool, or Exploratory  
AVALON11. County or Parish, and State  
EDDY COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

DEVON ENERGY PRODUCTION CO

Contact: ERIN WORKMAN

Email: Erin.workman@dvn.com

3a. Address

333 WEST SHERIDAN AVE  
OKLAHOMA CITY, OK 73102

3b. Phone No. (include area code)

Ph: 405-552-7970

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 9 T21S R27E NENE 1275FNL 300FEL

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

## TYPE OF SUBMISSION

## TYPE OF ACTION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other  
Venting and/or Flaring

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Devon Energy Production Co., LP respectfully requests to flare the Cerf 10 Fed 3H/4H Battery.  
Extension is due to DCP Rambo Compressor Station problems with their fuel gas lines to compressors.

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**

We are requesting a period of 14 days, beginning 01.19.16 to 02.02.16. Verbal was given for flare extension by Duncan Whitlock with the COA if flare over 24 hr.

Estimated amount to be flared:

MCFPD 462 BOPD 100

*January - end of March***NM OIL CONSERVATION  
ARTESIA DISTRICT**

MAR 14 2016

Accepted for record

ED NMOC 3/15/16

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14. I hereby certify that the foregoing is true and correct.

Electronic Submission #329221 verified by the BLM Well Information System  
For DEVON ENERGY PRODUCTION CO LP. sent to the Carlsbad  
Committed to AFMS for processing by PRISCILLA PEREZ on 01/22/2016 (16PP0219SE)

Name (Printed/Typed) ERIN WORKMAN

Title REGULATORY COMPLIANCE ANALYST

Signature (Electronic Submission)

Date 01/20/2016

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By

Title

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***



**Additional data for EC transaction #329221 that would not fit on the form**

**32. Additional remarks, continued**

Wells contributing to the total flared volumes: All wells under lease number NMNM70798X

Cerf 10 Fed 3H 30-015-41058  
Cerf 10 Fed Com 4H 30-015-41059

Attachments: C-129  
E-mail with Verbal