NM OIL CONSERVATION at the of New Mexico ARTESIA DISTRICTED Minerals and Natural Resources

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 District II

JUL 1 0 2015

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

811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410

NFO Permit No. (For Division Use Only)

1220 S. St. Francis Dr., Santa Fe, NM 87505 RECEIVED

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 19.15.18.12

hereby certify that the rules and regulations of the Oil Conservation ivision have been complied with and that the information given above true and complete to the best of my knowledge and belief. Approved Until		(See Rule 19.15.18.12	NMAC and Rule 19.15.7.37 NMAC)
hereby requests an exception to Rule 19.15.18.12 for	A.	Applicant Yates Petroleum C	Corporation ,
Name of Lease Glow Worm ALX Federal Battery Name of Pool Wildcat		whose address is105 S. Fourth Str	eet Artesia, NM 88210 ,
Name of Lease Glow Worm ALX Federal Battery Name of Pool Wildcat Location of Battery: Unit Letter Section 3 Township 23S Range 31E API# 1: 30-015-35313 API# 2: 30-015-35314 API# 3: 30-015-35316 API# 4: 30-015-35316 API# 5: 30-015-36368 API# 6: 30-015-36368 API# 7: 30-015-36368 API# 7: 30-015-37515 B. Based upon oil production of 134 barrels per day, the estimated * volume of gas to be flared is 386 +/- daily MCF; Value per day. C. Name and location of nearest gas gathering facility: Agave D. Distance Estimated cost of connection E. This exception is requested for the following reasons: Yates respectfully requests to flare for approximately 15 days beginning July 6th so DCP can depressurize system for repairs. PERATOR hereby certify that the rules and regulations of the Oil Conservation vivision have been complicated with and that the information given above true and compliate with and that the information given above true and compliate with and that the information given above true and compliate with and that the information given above true and compliate with a part of the Oil Conservation vivision have been complicated with and that the information given above true and compliate with a part of the Oil Conservation vivision have been complicated with and that the information given above true and compliate with a part of the Oil Conservation vivision have been complicated with and that the information given above true and compliate with a part of the Oil Conservation vivision have been complicated with and that the information given above true and compliate with a part of the Oil Conservation vivision have been complicated with and that the information given above true and compliate with the vivision have been complicated with and the information given above true and compliate with the vivision have been complicated with and the information given above true and compliate with the vivision have been complicated with a part of the Oil Conservation vivision have been complicated with a part of the		hereby requests an exception to Rule 1	9.15.18.12 for <u>15</u> days or until
Location of Battery: Unit Letter Section 3 Township 23S Range 31E API# 1: 30-015-35313 API# 2: 30-015-35314 API# 3: 30-015-35316 API# 3: 30-015-35316 API# 4: 30-015-35316 API# 4: 30-015-35316 API# 6: 30-015-36368 API# 6: 30-015-36369 Number of wells producting into battery 7 API# 7: 30-015-37515 B. Based upon oil production of 134 barrels per day, the estimated * volume of gas to be flared is 386 +/- daily MCF; Value per day. C. Name and location of nearest gas gathering facility: Agave D. Distance Estimated cost of connection E. This exception is requested for the following reasons: Yates respectfully requests to flare for approximately 15 days beginning July 6th so DCP can depressurize system for repairs. PERATOR hereby certify that the rules and regulations of the Oil Conservation vivision have been complicted with and that the information given above true and complicate the best of my knowledge and belief. By Title Julie Steele Production Analyst Date 2-30-15		July 21st , Yr	2015_, for the following described tank battery (or LACT):
AP# 1: 30-015-35313 API# 2: 30-015-35314 API# 3: 30-015-35315 API# 4: 30-015-35315 API# 4: 30-015-35316 API# 5: 30-015-36368 API# 6: 30-015-36369 Number of wells production of		Name of Lease Glow Worm ALX Federal Battery Name of Pool Wildcat	
Number of wells producing into battery 7 API# 7: 30-015-37515 B. Based upon oil production of 134 barrels per day, the estimated * volume of gas to be flared is 386 +/- daily MCF; Value per day. C. Name and location of nearest gas gathering facility: Agave D. Distance Estimated cost of connection E. This exception is requested for the following reasons: Yates respectfully requests to flare for approximately 15 days beginning July 6th so DCP can depressurize system for repairs. PPERATOR hereby certify that the rules and regulations of the Oil Conservation ivision have been complied with and that the information given above true and complete to the best of my knowledge and belief. ignature Title Jule Steele Production analyst -mail Address JStocle@yatespetroleum.com Date 2-30-155		Location of Battery: Unit Letter	API# 1: 30-015-35313 API# 2: 30-015-35314 API# 3: 30-015-35315 API# 4: 30-015-35316 API# 5: 30-015-36368
of gas to be flared is		Number of wells producing into batter	
C. Name and location of nearest gas gathering facility: Agave D. Distance Estimated cost of connection E. This exception is requested for the following reasons: Yates respectfully requests to flare for approximately 15 days beginning July 6 th so DCP can depressurize system for repairs. DEFRATOR hereby certify that the rules and regulations of the Oil Conservation invision have been complicated with and that the information given above true and complete to the best of my knowledge and belief. ignature Title Julie Steele — Production Analyst -mail Address _IStvele@yatespetroleum.com Date	В.	Based upon oil production of 134 barrels per day, the estimated * volume	
D. DistanceEstimated cost of connection E. This exception is requested for the following reasons: Yates respectfully requests to flare for approximately 15 days beginning July 6 th so DCP can depressurize system for repairs. OPERATOR hereby certify that the rules and regulations of the Oil Conservation ivision have been complied with and that the information given above true and complete to the best of my knowledge and belief. ignature		of gas to be flared is 386 +/- d	aily MCF; Value per day.
D. DistanceEstimated cost of connection E. This exception is requested for the following reasons:	C.	Name and location of nearest gas gathering facility:	
E. This exception is requested for the following reasons:		Agave	
Yates respectfully requests to flare for approximately 15 days beginning July 6 th so DCP can depressurize system for repairs. OPERATOR hereby certify that the rules and regulations of the Oil Conservation rivision have been complied with and that the information given above true and complete to the best of my knowledge and belief. ignature Title Julie Steele – Production Analyst -mail Address JSteele@yatespetroleum.com OIL CONSERVATION DIVISION Approved Until 21 2015 By Title 75 Theorem Title 730-155	D.	Distance Estimated cost of connection	
depressurize system for repairs. DEFRATOR hereby certify that the rules and regulations of the Oil Conservation ivision have been complied with and that the information given above true and complete to the best of my knowledge and belief. ignature rinted Name Title Jule Steele — Production Analyst -mail Address JSteele@yatespetroleum.com OIL CONSERVATION DIVISION Approved Until Title Title Title Date 2-30-15	E.	This exception is requested for the following reasons:	
hereby certify that the rules and regulations of the Oil Conservation division have been complied with and that the information given above true and complete to the best of my knowledge and belief. ignature Title Julie Steele – Production analyst -mail Address JSteele@yatespetroleum.com Approved Until July 21 2015 By Title 75 T Special Date 7-30-15			or approximately 15 days beginning July 6 th so DCP can
Pate 7-6-2015 Telephone No. 575-748-4208	Division have bestrue and comp Signature Printed Name Title Jul	that the rules and regulations of the Oil Conserva been complied with and that the information given plete to the best of my knowledge and belief.	Approved Until July 21 2015 By Title As T Separan
	Date 7-6-20	Telephone No. 575-748-4208	3

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

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.

 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 &

DATE: 7/30/15

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 David Catanach
Division Director
Oil Conservation Division



March 19, 2013

FOR IMMEDIATE RELEASE

Contact: Jim Winchester (505)231-8800 E-Mail: im.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: <u>http://activefiremaps.fs.fed.us/current.php</u>

###

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