<u>District I</u>
1625 N. French Dr., Hobbs, NM 88240
<u>District II</u> District II 311 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 13.13.18.12 INMA	C and Rule 19.13.7.37 N	MAC)					
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	90	days or until				
	6/17/15 N/A , Yr N/A	, for the following desc	ribed tank battery (c	or LACT):				
	Name of Lease <u>Burton Flat Deep Unit 52H</u> Name of Pool <u>Avalon; Bone Spring, East</u>							
	Location of Battery: Unit Letter16	Section 3 Town	iship <u>21S</u> Range	27E				
	Number of wells producing into battery	Wells; Burton Flat Deep	Unit 52H (30-015-4069	93) and				
В.	Burton Flat Deep Unit 56H (30-015-40683) Based upon oil production of barrels per day, the estimated * volume							
	of gas to be flared is 1773	MCF; Value		_per day.				
C.	Name and location of nearest gas gathering facility:							
D.	DistanceEstimated cost of connection							
E.	This exception is requested for the following reasons:							
	Intermittent issues from Artesia gas plant going down; being shut out for a few hours each day							
We are requesting 90 days to start May 29, 2015 through August 27, 2015.								
	that the rules and regulations of the Oil Conservation teen complied with and that the information given above	OIL CONSERVATION						
	plete to the best of my knowledge and belief.	Approved Until	<u> </u>	,				
Signature	Jua (och	By Per Form	3140-5, Rai	ndy Dade				
Printed Name	e ra Cook, Regulatory Compliance Associate	Title						
	ess sara.cook@dvn.com	Date	5/2015					
	2015 Telephone No. 405-228-8960	* See att	orhal C.O. F	7.3				

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

Burton Flat Deep Unit 52H 30-015-40693 Devon Energy Production Co. June 05, 2015 Conditions of Approval

- 1. Report all volumes on OGOR B as disposition code 08.
- 2. Comply with NTL-4A requirements
- 3. Subject to like approval from NMOCD
- 4. Flared volumes will still require payment of royalties
- 5. 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. Gas meter to meet all requirements for sale meter as Federal Regulations and Onshore Order #5. Include meter serial number on sundry.
- 6. This approval does not authorize any additional surface disturbance.
- 7. Submit updated facility diagram as per Onshore Order #3.
- 8. Approval not to exceed 90 days for date of approval.
- 9. Submit Subsequent Report to this sundry with actual volumes of gas flared monthly on 3160-5 (sundry notice).
- 10. If flaring is still required past 90 days submit new request for approval.
- 11. If a portable unit is used to flare gas it must be monitored at all times.
- 12. Comply with any restrictions or regulations when on State or Fee surface.

JAM 060515

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 condute

DATE: 6/15/2015

State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin
Cabinet Secretary

Tony Delfin
Deputy Cabinet Secretary

David Catanach
Division Director
Oll Conservation Division



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 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: 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.

State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

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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

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

NM OIL CONSERVATION

Form 3160-5 (August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR

ARTESIA DISTRICT OCD Artesia JUN 15 2015

	LOKM VELKOARD
	OMB NO. 1004-0135
	Expires: July 31, 2010
~	* * * *

В	UKBAU OF LAND MANA	GEMENT			E T C- '-! NI			
SUNDRY	5. Lease Serial No. NMNM0560290							
Do not use the abandoned we	6. If Indian, Allottee or Tribe Name							
SUBMIT IN TRI	7. If Unit or CA/Agreement, Name and/or No. 8910123910							
I. Type of Well ☑ Oil Well ☐ Gas Well ☐ Ott	8. Well Name and No. BURTON FLAT DEEP UNIT 52H							
Name of Operator DEVON ENERGY PRODUCT	9. API Well No. 30-015-40693-00-S1							
3a. Address 333 WEST SHERIDAN AVE OKLAHOMA CITY, OK 7310:	3b. Phone N Ph: 405-2	o. (include area code 28-8960	e)	10. Field and Pool, or Exploratory E AVALON				
4. Location of Well (Footage, Sec., T	., R., M., or Survey Description)			11. County or Parish,	and State		
Sec 3 T21S R27E Lot 16 4000			j	EDDY COUNTY, NM				
12. СНЕСК АРРІ	ROPRIATE BOX(ES) TO) INDICAT	E NATURE OF I	NOTICE, RI	EPORT, OR OTHE	R DATA		
TYPE OF SUBMISSION	TYPE OF ACTION							
■ Notice of Intent	☐ Acidize	☐ De	ереп	Product	ion (Start/Resume)	■ Water Shut-Off		
	☐ Alter Casing	□ Fracture Treat		☐ Reclamation		■ Well Integrity		
☐ Subsequent Report	🗖 Casing Repair	□ Ne	w Construction	Recomp	lete	🛛 Other		
☐ Final Abandonment Notice	☐ Change Plans	🗀 Plu	Plug and Abandon		arily Abandon			
	☐ Convert to Injection	Plug Back		U Water D	Pisposal	-		
13. Describe Proposed or Completed Ope If the proposal is to deepen directions Attach the Bond under which the wor following completion of the involved testing has been completed. Final Ab determined that the site is ready for fi	ally or recomplete horizontally, it will be performed or provide operations. If the operation respondent by file operations.	give subsurface the Bond No. c sults in a multir	clocations and measu on file with BLM/BIA ole completion or reco	red and true ve A. Required sub Impletion in a r	rtical depths of all perting sequent reports shall be new interval, a Form 3160	ent markers and zones. filed within 30 days 0-4 shall be filed once		
Devon Energy Production Con Battery. Intermittent flaring du each day. The following wells	ie Artesia das plant doind.	quests to flar down; being	e the Burton Flat shut out for a fe	Deep Unit 5 w hours	2H	·		
Burton Flat Deep Unit 52H (30 Burton Flat Deep Unit 56H (30	-015-40693) . -015-40683)		SE!	F ATTA	CHED FOR	.		
We are requesting 90 days to	- · · · ·	h August 27	CC CC	NDITIO	ONS OF API	PROVAL		
Amount to be flared is 425 BO	PD and 1773 MCFPD							
Attachment: NMOCD C-129 Accepted for record NMOCD 6/17/15								
14. I hereby certify that the foregoing is	true and correct. Electronic Submission #3 For DEVON ENERG itted to AFMSS for process	Y PRODUCT	ON CO LP. sent t	o the Carisba	ad .	/ ~		
Name(Printed/Typed) SARA COC	DK		Title REGUL	ATORY CO	APLIANCE ASSOCI	AT /		
Signature (Electronic Si	•		Date 06/02/2		PROVED			
	THIS SPACE FO	R FEDER	L OR STATE	OFFICE US	E /			
Approved By			Title	In	n/ 5 2015	No.		
onditions of approval, if any, are attached crify that the applicant holds legal or equi hich would entitle the applicant to conduc	table title to those rights in the	not warrant or subject lease	Office	BUREAU (CARLS	OF/LAND IONAGEME SEAD FIELD OFFICE	ENT		
itle 18 U.S.C. Section 1001 and Title 43 U States any false, fictitious or fraudulent st	J.S.C. Section 1212, make it a catements or representations as to	rime for any pe	rson knowingly and	villfully to ma	te to any department or a	gency of the United		