Submit 1 Copy To Appropriate District. OfficeState of New MexicoOfficeEnergy, Minerals and Natural ResourcesDistrict II - (575) 393-6161Energy, Minerals and Natural Resources1625 N. French Dr., Hobbs; NM 88240OIL CONSERVATION DIVISIONDistrict III - (575) 748-1283OIL CONSERVATION DIVISION		WELL APUNO:	Form C-103 Révised August 1, 2011		
811.5; Firšt St., Artesia, NM 88210 OIL CONSERVATION DIVISION <u>District III</u> - (505) 334-6178 1220 South St. Francis Dr. 1000 Rio Brazos Rd., Aztec, NM 87410 1220 South St. Francis Dr. <u>District IV</u> - (505) 476-3460 Santa Fe, NM 87505 1220, S. U. Francis Dr., Santa Fe, NM 87505			 5. Indicate Type of Lease STATE STATE 6. State Oil & Gas Lease No. 		
(DO NOT USE THIS FORM	DRY NOTICES AND RE FOR PROPOSALS TO DRILL USE "APPLICATION FOR PER	OR TO DEEPEN OR PLI	UG BACK TO A	D State 74 Battery	Unit Agreement Name:
1. Type of Well: Oil V	Vell 🔽 Gas Well 🗌	Other	:	8. Well Number	
2. Name of Operator Apache Corporation			:	9. OGRID Numbe 873	er
3. Address of Operator	•			10. Pool name or	Wildcat
	ine, Suite 3000 Midland, T	X 79705		Yeso	The second
4. Well Location					
Unit Letter K	: fee	t from the	line and 1	feet from	n the line
Section 35	To	wnship 17S Ra	inge 28E	NMPM	County Eddy
	11. Elevation	1 (Show whether DR,		etc.)	
12	. Check Appropriate 1	Box to Indicate N	ature of Notic	e, Report or Other	Data
	DE OF INTENTION	ΓO;	SL	JBSEQUENT REF	PORT OF:
PERFORM REMEDIAL		ABANDON	REMEDIAL WO		ALTERING CASING
TEMPORARILY ABAN		· · ·			PANDA
PULL OR ALTER CASI		OMPL	CASING/CEME	ENT JOB	
DOWNHOLE COMMIN					
OTHER: Flare Gas			OTHER:		
of starting any p	sed or completed operation proposed work): SEE RUL letion or recompletion.	s. (Clearly state all j E 19.15.714 NMAC	pertinent details, C. For Multiple C	and give pertinent date Completions: Attach w	s, including estimated date ellbore diagram of
Apache is requesting p	ermission to temporarily fla	are the D State 74 Ba	ittery. The API# f	or each well are as follo	WS:
30-015-31426	30-015-40232				
30-015-30977	30-015-40233				
30-015-31389 30-015-38468	30-015-40234 30-015-40235				
30-015-39267	30-015-40236				
30-015-39924	30-015-40237		i		
30-015-40145	30-015-40238				
30-015-40441 30-015-40231	30-015-40239 30-015-40136		:		
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Spud Date:		Rig Release Da	ite:		
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م الم المعالية بالمعالية المراجع	nförmätion above is true a	المالا مغ ماداتوروم الم	vel of in the second	decional hallor	na na managana kana sa kata na
Thereos certify marine,	mormation appre, is artie a	aa compiete to me.be	soor my knowle	age and bench.	
SIGNATURE		TITLE Regula	atory Tech I	DA	TE_05/21/2013
Type or print name, Fati	ma Vasquez	E-mail address	: Fatima.Vasquez@	PH(ONE: (432) 818-1015
For State Use Only	2/1/c d a	シ	10		
APPROVED BY:	KUUI	TITLE D	15T de DA	ewise DAT	FE May 24-2013
Conditions of Approval	(if any):				
1.1					

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District 1 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 Fc, 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)

	ApplicantApache Corporation, whose address is1945 Bluestern Road, Artesia, NM 88210,					
	hereby requests an exception to Rule 19.15.		or'.u			
	, Yr,	for the following described tank battery (or LACT):				
	Name of Lease D State 74 Battery	Name of Pool Yeso				
		Section 35 Township 17S Range 28E				
	Number of wells producing into battery	. 18				
В.	Based upon oil production of barrels per day, the estimated * volume					
	of gas to be flared is	MCF; Valueper day.				
Ċ.	Name and location of nearest gas gathering facility: DCP Artesia					
D _i	DistanceEstimated cost of connection					
E.	This exception is requested for the following reasons: Frontier Gas has shut Apache out					
	of their gas line as a secondary selling point. Our primary buyer is DCP. We					
	need a way of relief if DCP slam valve shuts, which would be to flare.					
			_			
OPERATOR Thereby certify	that the rules and regulations of the Oil Conservation	OIL CONSERVATION DIVISION				
is true and com	cen complied with and that the information given above plete to the best of my knowledge and belief.	Approved Until Aug 30th -2013				
Signature		By ADade				
Printed Nam & Title	e Fatima Vasquez - Regulatory Tech I	Title Dist I Supervisor				
E-mail Addr	Fatima.Vasquez@apachecorp.com	Date May 24 - 2013				
Date 05/21	/2013 Telephone No. (432) 818-1015					
Gas-Oil rat	io test may be required to verify estimated gas	volume.				
SEE	A HACKEd 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.
- 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. 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 ARDade 11 May 24-2013

State of New Mexico Energy, Minerals and Natural Resources Department

Jami Bailey

Division Director

Oil Conservation Division

Susana Martinez Governor

John Bemis Cabinet Secretary

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

March 19, 2013

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 <u>www.nmforestry.com</u> 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.