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 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)

Α.	A. Applicant Apache Corporation					
	whose address is					
		8.12 fordays or unti				
	, Yr, for the following described tank battery (or LACT):					
	Name of Lease D State 74 Battery	Name of Pool Yeso				
	Location of Battery: Unit LetterK	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.				
C.	Name and location of nearest gas gathering facility: DCP Artesia					
D.	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. This is					
	for an extension to the previous one that will expire August 30, 2013.					
OPERATOR I hereby certify t	that the rules and regulations of the Oil Conservation	OIL CONSERVATION DIVISION				
Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.		Approved Until				
Signature		By Alade				
Printed Name Fatima Vasquez - Regulatory Tech II		Title Dist P Superism				
E-mail Address Fatima.Vasquez@apachecorp.com		Date Aug 19, 2013				
Date 08/09/	/2013 Telephone No. (432) 818-1015					

^{*} Gas-Oil ratio test may be required to verify estimated gas volume.

Submit I Copy To Appropriate District Office	State of New Mexico		Form C-103				
<u>District 1</u> – (575) 393-6161	Energy, Minerals and Natural I	Resources	Revised Aug LL API NO.	gust 1, 2011			
1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> – (575) 748-1283	OIL CONSERVATION DI	VISION					
811 S. First St., Artesia, NM 88210 <u>District III</u> – (505) 334-6178	1220 South St. Francis	1.5 1	5. Indicate Type of Lease				
1000 Rio Brazos Rd., Aztec, NM 87410 District IV – (505) 476-3460	<u>.</u>	STATE FEE State Oil & Gas Lease No.					
1220 S. St. Francis Dr., Santa Fe, NM 87505							
SUNDRY NOTI	CES AND REPORTS ON WELLS		Lease Name or Unit Agreeme	ent Name			
DIFFERENT RESERVOIR. USE "APPLIC	SALS TO DRILL OR TO DEEPEN OR PLUG B CATION FOR PERMIT" (FORM C-101) FOR SU		ate 74 Battery				
PROPOSALS.) 1. Type of Well: Oil Well	Gas Well Other	8. V	Well Number	(
2. Name of Operator		9. OGRID Number 873					
Apache Corporation 3. Address of Operator		10. Pool name or Wildcat					
303 Veterans Airpark Lane, Suite 30	00 Midland, TX 79705	Yeso					
4. Well Location	-						
Unit Letter K :	feet from the			line			
Section 35	Township 17S Range		PM County Eddy	/			
	The Elevation (Show whether 1911, The						
12. Check A	Appropriate Box to Indicate Natur	e of Notice, Repo	ort or Other Data				
NOTICE OF IN			UENT REPORT OF:				
PERFORM REMEDIAL WORK	MEDIAL WORK MMENCE DRILLING	-					
PULL OR ALTER CASING							
DOWNHOLE COMMINGLE	_		_				
OTHER: Flare Gas		THER:		П			
13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date							
of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.							
Apache is requesting permission to temporarily flare the D State 74 Battery. The API# for each well are as follows:							
, , ,							
	5-40232		De				
	5-40233 5-40234		HEC	EIVED 1 4 2013			
30-015-38468 30-01	5-40235		Aug.	- VED			
	5-40236 5-40237		1. 404 1	4 2013			
30-015-40145 30-01	5-40238		NMOCD	ADT			
	5-40239 5-40136		NMOCD	MIESIA			
Spud Date:	Rig Release Date:						
I hereby certify that the information	above is true and complete to the best o	f my knowledge and	belief.				
	·	,					
SIGNATURE	TITLE Regulatory	Tech II	DATE 08/09/201	13			
Type or print name Fatima Vasque	E-mail address: F	atima Vasquez@apachecoi	rp.com PHONE: (432) 8 ⁻	18-1015			
For State Use Only	1						
APPROVED BY:	TITLE DIST 2	Diflu ist	DATE Acg 19	2013			
Conditions of Approval (if any):							
* SEE Attachec	1 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 stands

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 Jami Bailey
Division Director
Oil Conservation Division



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 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.