<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> 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 1945 Bluestem Road, Artesia, NM 88210						
		8.12 fordays or until					
	, Yr, for the following described tank battery (or LAG						
	Name of Lease D State 74 Battery	Name of Pool Yeso					
	Location of Battery: Unit LetterK	Section35TownshipRange28E					
	Number of wells producing into battery	. 18					
В.	Based upon oil production of	barrels per day, the estimated * volume					
	of gas to be flared is1.2M	MCF; Valueper day.					
· C.	Name and location of nearest gas gathering facility: DCP Artesia						
D.	Distance Estimated 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 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. OIL CONSERVATION DIVISION Approved Until Nov 20, 2013							
Signature By Reade							
Printed Name & Title	Fatima Vasquez - Regulatory Tech II	Title Des P Sepenison					
E-mail Addres	Fatima.Vasquez@apachecorp.com	Date Aug 19, 2013					
Date 08/09/2	2013 Telephone No. (432) 818-1015						

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

Submit 1 Copy To Appropriate District	State of New Mo	exico		Form C-103
Office <u>District I</u> – (575) 393-6161	Revised August 1, 2011			
1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> – (575) 748-1283			WELL API NO.	
811 S. First St., Artesia, NM 88210 OIL CONSERVATION DIVISION			5. Indicate Type of Lease	
District III – (505) 334-6178 1000 Rio Brazos Rd., Aztec, NM 87410 District IV – (505) 476-3460 1220 South St. Francis Dr. Santa Fe, NM 87505			STATE 7 FEE	
<u>District IV</u> – (505) 476-3460 1220 S. St. Francis Dr., Santa Fe, NM	6. State Oil & Gas	s Lease No.		
87505	CES AND REPORTS ON WELLS	9	7 1 Nome on	Liuit Agaggarant Nome
(DO NOT USE THIS FORM FOR PROPOS		7. Lease Name or Unit Agreement Name		
DIFFERENT RESERVOIR. USE "APPLIC PROPOSALS.)	D State 74 Battery			
1. Type of Well: Oil Well	8. Well Number			
2. Name of Operator Apache Corporation	9. OGRID Number	er		
3. Address of Operator		10. Pool name or Wildcat		
303 Veterans Airpark Lane, Suite 30	Yeso			
4. Well Location		•		
Unit Letter K :	feet from the			
Section 35	Township 17S R 11. Elevation (Show whether DR	ange 28E	NMPM	County Eddy
THE WEST RESIDENCE	11. Elevation (Show whether DN	i, 1110, 111, 011, etc	.)	4.9
12. Check A	ppropriate Box to Indicate N	Nature of Notice	, Report or Other	Data
NOTICE OF IN	TENTION TO:	SUE	SEQUENT REF	PORT OF:
PERFORM REMEDIAL WORK	RK 🗆	ALTERING CASING		
TEMPORARILY ABANDON	· · · · · · · · · · · · · · · · ·	P AND A		
PULL OR ALTER CASING DOWNHOLE COMMINGLE	MULTIPLE COMPL	CASING/CEMEN	IT JOB	
OTHER: Flare Gas	<u> </u>	OTHER:		
of starting any proposed wo	eted operations. (Clearly state all k). SEE RULE 19.15.7.14 NMA	pertinent details, ai	nd give pertinent date	s, including estimated date
proposed completion or reco		o. To: Manipio oc	inprotions: Treaten w	enoore diagram or
Apache is requesting permission to	temporarily flare the D State 74 B	attery. The API# for	each well are as folio	ows:
		•		
	5-40232 5-40233			De
	5-40234			RECEIVED AUG 1 4 2013 NMOCD ARTESIA
	-40235			ALC TO LED
	5-40236 5-40237			AUG 1 4 2013
30-015-40145 30-015	-40238		į	NMOCD ADT
	5-40239 5-40136			AHIESIA
33 313 1323 .	10100			
	····			
Spud Date:	Rig Release D	ate:		
I have been also also also also also also also also	1 1 1 1 1 1		11 11 6	
I hereby certify that the information a	bove is true and complete to the b	best of my knowled	ge and belief.	
				
SIGNATURE	TITLE Regul	latory Tech II	DA	TE 08/09/2013
Type or print name Fatima Vasquez	E-mail addres	s; Fatima.Vasquez@a	pachecorp.com PH0	ONE: (432) 818-1015
For State Use Only	1			()
APPROVED BY:	M TITLE Nes	7 Difle	UBS DA	TE Acg 19, 2013
Conditions of Approval (if any):			DA	112/109 . 7 200
11/not	Pali			
* SEE Attached	CUMS			
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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 sold 8/19/3013

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.