District I
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

Revised August 1, 2011

Submit one copy to appropriate District Office

NFO Permit No.

(For Division Use Only)

Form C-129

APPÈICATION FOR EXCEPTION TO NO-FLARE RULE 19.15.18.12

	(See Rule 19.15.18.12 NMAC	and Ruje 19.15.7.37 NIVIAC)				
A.	Applicant Apache Corporation					
	whose address is1945 Bluestem Road, Artesia, NM 88210					
	hereby requests an exception to Rule 19.15.18	ΩΩ	days or until			
		for the following described tank battery (or l	LACT):			
	Name of Lease A State 40 Battery					
	Location of Battery: Unit Letter S	ection 26 Township 17S Range	28E			
	Number of wells producing into battery	11				
В.	Based upon oil production of	barrels per day, the estimated *	volume			
	of gas to be flared is	MCF; Value	per day.			
C	Name and location of nearest gas gathering fa	acility:	·			
D.	DistanceEstimated cost of connection					
E.	This exception is requested for the following reasons: Cannot take our gas at this new battery. This is an extension to the permit that expires 03/31/2014.					
	6	,				
Pivision have be true and compl	hat the rules and regulations of the Oil Conservation en complied with and that the information given above lete to the best of my knowledge and belief.	OIL CONSERVATION DIVISION Approved Until Curl 30	2014			
lignature		By A COLOR				
rinted Name & Title	Fatima Vasquez - Regulatory Analyst II	Title AST HOUSEN	isi			
E-mail Addre	Fatima.Vasquez@apachecorp.com	Date Man 11 2014				
03/07/2	2014 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 I</u> – (575) 393-6161 1625 N. French Dr., Hobbs; NM 88240			Revised August 1, 2011 WELL API NO.					
<u>District II</u> – (575) 748-1283 811 S. First St., Artesia, NM 88210	OIL CONSERVATION	DIVISION						
District III - (505) 334-6178	1220 South St. Fra		5. Indicate Type of Lease STATE FEE					
1000 Rio Brazos Rd., Aztec, NM 87410 <u>District IV</u> - (505) 476-3460	Santa Fe, NM 8	7505	6. State Oil & G					
1220 S. St. Francis Dr., Santa Fe, NM 87505								
SUNDRY NOT	ICES AND REPORTS ON WELLS		7. Lease Name of	or Unit Agreement Name				
	SALS TO DRILL OR TO DEEPEN OR PL CATION FOR PERMIT" (FORM C-101) F		A State 40 Batter	y .				
PROPOSALS.)	8 Well Number	8. Well Number						
1. Type of Well: Oil Well 2. Name of Operator:		9. OGRID Number						
Apache Corporation	873							
3. Address of Operator	000 Midle J TV 70705		10. Pool name o	r Wildcat				
303 Veterans Airpark Lane, Suite 3 4. Well Location	UUU Midiand, 1X 79705		Yeso					
Unit Letter :	feet from the	line and	feet fire	om the line				
Section 26		ange 28E	NMPM	County Eddy				
**************************************	11. Elevation (Show whether DR			, <u> </u>				
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12 Charle	A managinata Day ta Indianta N	Internaline Chilatine	D O4h	. D. 4.				
·	Appropriate Box to Indicate N	nature of Notice,	Report of Other	r Data				
	NTENTION TO:		SEQUENT RE					
PERFORM REMEDIAL WORK TEMPORARILY ABANDON		REMEDIAL WOR		ALTERING CASING P AND A				
PULL OR ALTER CASING	MULTIPLE COMPL	CASING/CEMEN		F AIVD A				
DOWNHOLE COMMINGLE								
OTHER: Flare Permit		OTHER:						
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	Apache is requesting permission to flare gas from the A State #40 Battery. Intermittent flaring will occur due to Frontier's inability to take							
our gas at this battery so we will need to flare it. Gas will be measured prior to flaring.								
•								
30-015-38545 A State #40	30-015-41022 A Sta	te #80						
30-015-38549 A State #48 30-015-38963 A State #49	30-015-41023 A Sta	te #81						
30-015-38967 A State #49	30-015-41181 A Sta	10 #82						
30-015-38968 A State #60								
30-015-41053 A State #73 30-015-41054 A State #74								
30-015-41010 A Stäte #79								
			-					
Spud Date:	Rig Release D	Pate:	•					
<u> </u>			•					
I hereby certify that the information	ahaya ia tana and aa malata ta tha b							
Thereby certify that the information	above is true and complete to the t	best of my knowledg	ge and belier,					
	Nagaratan dara d							
SIGNATURE	TITLE Regu	latory Analyst II	D	ATE 03/07/2014				
Type or print name Fatima Vasque	E-mail addres	SS: Fatima.Vasquez@ap	pachecorp.com P	HONE: (432) 818-1015				
For State Use Only								
APPROVED BY DATE OF TITLE STATE OF THE DATE OF THE STATE								
Conditions of Approval (if any):								
	Aller / A NAME							
T/ W	HTM (WOD)	[]]]#	<i>' S</i>					
VS COLO	111000							
4								

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 \$10 3/11/14

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State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Jami Bailey, Division Director Oil Conservation Division



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

March 7, 2014

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 362 fires burned 6,879 acres on state and private land in calendar year 2013.

Forecasts remain dismal this spring with fewer chances for normal precipitation, particularly in southwestern New Mexico and southeastern Arizona. Temperatures are expected to 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.

This means that as a general rule of thumb, the area around staffed flaring facilities should be mowed and maintained at a length not to exceed 4 inches and all other flammable products or debris should be cleared in the area for a distance of at least one and one half times the height of the stack.

If flaring is to take place at an unstaffed facility, then the mowed area around the flare stack should be increased to three times the height of the stack. On "red flag" days local fire departments should be notified prior to the flaring operations.

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 to get information on how contact your local State Forestry District office.

For the latest fire weather information please visit USDA Forest Service website: http://gacc.nifc.gov/swcc/predictive/outlooks/monthly/swa_monthly.pdf

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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.