Submit I Copy To Appropriate District Office	State of New			C-103
District I – (575) 393-6161 1625 N. French Dr., Hobbs, NM 88240	Energy, Minerals and	Natural Resources	Revised Augus WELL API NO.	<u>st 1, 2011</u>
<u>District II</u> – (575) 748-1283 811 S. First St., Artesia, NM 88210	OIL CONSERVAT	ION DIVISION		
District III - (505) 334-6178	1220 South St.		5. Indicate Type of Lease STATE 7 FEE	
1000 Rio Brazos Rd., Aztec, NM 87410 <u>District IV</u> – (505) 476-3460	Santa Fe, NI	M 87505	6. State Oil & Gas Lease No.	
1220 S. St. Francis Dr., Santa Fe, NM 87505				
	CES AND REPORTS ON WE		7. Lease Name or Unit Agreement	Name
(DO NOT USE THIS FORM FOR PROPOS DIFFERENT RESERVOIR. USE "APPLIC			D State 74 Battery	
PROPOSALS.) 1. Type of Well: Oil Well 🗸 (Gas Well 🔲 Other		8. Well Number	
2. Name of Operator		<u> </u>	9. OGRID Number	
Apache Corporation 3. Address of Operator			873 10. Pool name or Wildcat	
303 Veterans Airpark Lane, Suite 300	00 Midland, TX 79705		Yeso	ľ
4. Well Location				
Unit Letter K ::			feet from the	line
Section 35	Township 17S 11. Elevation (Show whether	Range 28E r DR. RKB. RT. GR. etc	NMPM County Eddy	
			1 * 1 * 9 *	
			· · · · ·	
12. Check A	ppropriate Box to Indica	te Nature of Notice	, Report or Other Data	
NOTICE OF IN	FENTION TO:		BSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK	PLUG AND ABANDON		RK 🔄 ALTERING CASI RILLING OPNS 🗌 P AND A	
TEMPORARILY ABANDON		CASING/CEMEI		
OTHER: Flare Gas		OTHER:		П
13. Describe proposed or comple			nd give pertinent dates, including estim	
of starting any proposed woi proposed completion or reco		MAC. For Multiple C	ompletions: Attach wellbore diagram of	ot
Apache is requesting permission to	•	74 Battery. The API# fo	r each well are as follows:	
	·····	·····		
	-40232			
	5-40233 5-40234		DEATH	
	-40235		RECEIVE	ED
	5-40236 5-40237		APR 10 201	1
	-40238			
	5-40239 5-40136		NMOCD ARTE	SIA
Spud Date:	Rig Relea	se Date:		
	i	L <u></u>		
I hereby certify that the information a	bove is true and complete to t	the best of my knowled	ge and belief.	
\frown				
SIGNATURE (TITLE R	egulatory Analyst II	DATE 04/08/2014	
Tune or mint name. Fetime Vessues			DUONE (422) 919	1015
Type or print name Fatima Vasquez For State Use Only	E-mail ad	dress: <u>Fatima Vasquez@a</u>		
	Toll	Distates	Owign DATE 4-10-,	14
APPROVED BY:Conditions of Approval (if any):	TITLE (DATE / / O	
••••••		<u>^(</u>		
A Son Att	hadred COA	15		
p se /110		-		

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 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 R	Rule 19	.15.7.37	NMAC)

А.	Applicant Apache Corporation							
	whose address is							
		8.12 for days 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 17S 28E						
	Number of wells producing into battery	18						
B.		barrels per day, the estimated * volume						
	of gas to be flared is	MCF; Valueper day.						
C.	Name and location of nearest gas gathering f DCP Artesia	`acility:						
D.	DistanceEstimated cost of connection							
E.	This is for an extension to							
	previous one that will expire April 30, 2014.							
OPERATOR	that the rules and regulations of the Oil Conservation	OIL CONSERVATION DIVISION						
Division have b	een complied with and that the information given above slete to the best of my knowledge and belief.	Approved Untit July 31 2014						
Signature	\rightarrow	By ADade						
Printed Name & Title	Fatima Vasquez - Regulatory Analyst II	Title USF HScapervision						
E-mail Addre	Fatima.Vasquez@apachecorp.com	Date 4-10-14						
Date 04/08		* See Attached OA's						

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

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. <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. <u>Flaring of gas is prohibited</u>. 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 AD

 1
 4-10-14

State of New Mexico Energy, Minerals and Natural Resources Department

Jami Bailey, Division Director

Oil Conservation Division

Susana Martinez Governor

David Martin Cabinet Secretary

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 <u>www.nmforestry.com</u> 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: <u>http://gacc.nifc.gov/swcc/predictive/outlooks/monthly/swa_monthly.pdf</u>

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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.

> 1220 South St. Francis Drive • Santa Fe, New Mexico 87505 Phone (505) 476-3460 • Fax (505) 476-3462 • www.emnrd.state.nm.us/ocd

