Submit 1 Copy To Appropriate District State of New Mexico		Form C-103
District 1 – (575) 393-6161 Energy, Minerals and Natural Resources		Revised August 1, 2011 WELL API NO.
1625 N. French Dr., Hobbs, NM 88240 District II - (575) 748-1283 811 S. First St., Artesia, NM 88210 District III - (505) 334-6178 1000 Rio Brazos Rd., Aztec, NM 87410 District IV - (505) 476-3460 1220 S. St. Francis Dr., Santa Fe, NM		5. Indicate Type of Lease STATE G. State Oil & Gas Lease No.
87505 SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH		7. Lease Name or Unit Agreement Name AB State 647 Battery
PROPOSALS.) 1. Type of Well: Oil Well 🗹 Gas Well 🗌 Other		8. Well Number
2. Name of Operator Apache Corporation		9. OGRID Number 873
3. Address of Operator		10. Pool name or Wildcat
303 Veterans Airpark Lane, Suite 3000 Midland, TX 79705 4. Well Location		Yeso .
Unit Letter N feet from the line and feet from the line		
Section 32 ¹	Township 17S Range 28E	NMPM County Eddy
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data		
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK ALTERING CASING TEMPORARILY ABANDON CHANGE PLANS COMMENCE DRILLING OPNS P AND A PULL OR ALTER CASING MULTIPLE COMPL CASING/CEMENT JOB CASING/CEMENT JOB		
OTHER: Flare Permit		
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 flare gas from the AB State #647 Battery. Intermittent flaring will occur due to Frontier's inability to take our gas at this battery. Gas will be measured prior to flaring.		
30-015-39927 AB STATE 647 #1 30-015-41500 AB STATE 647 #2 30-015-41501 AB STATE 647 #3 30-015-41505 AB STATE 647 #4 30-015-41505 AB STATE 647 #4 30-015-41505 AB STATE 647 #4 30-015-41503 AB STATE 647 #5 30-015-41503 AB STATE 647 #6 30-015-41491 AB STATE 647 #8 30-015-41492 AB STATE 647 #8	30-015-41493AB STATE 647 #930-015-41494AB STATE 647 #1030-015-41495AB STATE 647 #1130-015-41496AB STATE 647 #1230-015-41497AB STATE 647 #1330-015-41498AB STATE 647 #1430-015-41504AB STATE 647 #1530-015-41511AB STATE 647 #16	· · · · · · · · · · · · · · · · · · ·
Spud Date:	Rig Release Date:	
I hereby certify that the information above is true	e and complete to the best of my knowled	2c and belief.
SIGNATURE	TITLE Regulatory Analyst II	DATE_03/07/2014
Type or print name Fatima Vasquez E-mail address: Fatima Vasquez@apachecorp.com PHONE: (432) 818-1015		
APPROVED BY		
Conditions of Approval (if any):	Hacked OA's	' /

State of New Mexico Energy Minerals and Natural Resources District 1 1625 N. French Dr., Hobbs, NM 88240 Form C-129 District II 811 S. First St., Artesia, NM 88210 Revised August 1, 2011 Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 District III Submit one copy to appropriate 1000 Rio Brazos Road, Aztec, NM 87410 District Office District IV NFO Permit No. 1220 S. St. Francis Dr., Santa Fe, NM 87505 (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) Apache Corporation Applicant Α. 1945 Bluestem Road, Artesia, NM 88210 whose address is 90 hereby requests an exception to Rule 19.15.18.12 for days or until , Yr , for the following described tank battery (or LACT): __Name of Pool Yeso AB State 647 Battery Name of Lease Location of Battery: Unit Letter N Section 32 Township 17S Range 28E 16 Number of wells producing into battery _____ 250 Based upon oil production of _____ Β. barrels per day, the estimated * volume of gas to be flared is C. Name and location of nearest gas gathering facility: Frontier Empire Abo Unit Distance Estimated cost of connection D. This exception is requested for the following reasons: Frontier Empire Abo Unit Gas Plant E. cannot take our gas at this new battery. This is an extension to the permit that expires 03/31/2014. **OPERATOR OIL CONSERVATION DIVISION** I hereby certify that the rules and regulations of the Oil Conservation DIY Division have been complied with and that the information given above Approved Until is true and complete to the best of my knowledge and belief. Signature Βv Printed Name C4) [St Fätima Vasquez - Regulatory Analyst II Title & Title Fatima Vasquez@apachecorp.com Date E-mail Address 03/07/2014 (432) 818-1015 Date Telephone No.

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.
- 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 \mathcal{ND} 1 1 $3|_{\mathcal{A}}(20)^{\mathcal{H}}$