District I 2 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 7 2014

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)

	Applicant Merit Energy Company , whose address is 13727 Noel Rd. Ste. 1200 Dallas, TX 75240 , hereby requests an exception to Rule 19.15.18.12 for 3 days May 1 , Yr 2014 , for the following described tank battery (or LACT):			
	Name of Lease Various Wells (See Attached)			
	Location of Battery: Unit Letter	SectionTownship	Range	
:	Number of wells producing into battery	1 84 m 6 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		
i	Based upon oil production of	barrels per-day, the e	stimated * volume	
	of gas to be flared is 200 mcfd	* * * * * * * * * * * * * * * * * * *		
1	Name and location of nearest gas gathering	facility:		
1.,	•		RECEIVE	
. 40. ^{14.} 5). 45. 27	DistanceEstimated	cost of connection	MAY 02 20	
•	Estimated	cost of conficction		
			I MAROOD ARI	
i.	This exception is requested for the following		NMOCD ART	
: *•	This exception is requested for the following Frontier Field Services, LLC's plant has shut down		NMOCD ARI	
Σ.	•		NMOCD ARI	
	•		NMOCD ARI	
•	•		NMOCD ARI	
TOR	Frontier Field Services, LLC's plant has shut dov			
TOR ertify thave bee	Frontier Field Services, LLC's plant has shut dove the rules and regulations of the Oil Conservation are complied with and that the information given above	OIL CONSERVATION DIVISI		
TOR ertify the ave bee completed.	Frontier Field Services, LLC's plant has shut dove the control of the Oil Conservation	OIL CONSERVATION DIVISION		
TOR ertify the ave bee completed.	Frontier Field Services, LLC's plant has shut dove the rules and regulations of the Oil Conservation are complied with and that the information given above	OIL CONSERVATION DIVISION Approved Until		
TOR ertify thave been completed.	Frontier Field Services, LLC's plant has shut dove the rules and regulations of the Oil Conservation are complied with and that the information given above	OIL CONSERVATION DIVISION Approved Until By Title		

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

Well Name	API
Shugart West 19 Federal 001	300153014900
Shugart West 19 Federal 003	300153064800
Shugart West-19 Federal 004	300153064700
Shugart West 19 Federal 005	300153068800
Shugart West 19 Federal 006	300153068900
Shugart West 19 Federal 007	300153068600
Shugart West 19 Federal 008	300153092300
Shugart West 19 Federal 009	300153092400
Shugart West 19 Federal 010 🥏	300153094600
Shugart West 24 Federal 001	300153134000
Shugart West 24 Federal A 004	4300153211500
Shugart West 24 Federal G 002	300153174200
Shugart West 24 Federal J 003	300153158100
Shugart West 30 Federal C 001	300153053300



April 4, 2014

VIA FAX: (972) 960-1252 and U.S. Mail

Merit Energy Company Contract Administration 13727 Noel Road April Suite 500 Dallas, TX 75240

Notice of Scheduled Plant Shutdown Maljamar Gas Plant in Lea County, NM

Dear Producer:

Frontier Field Services, LLC ("Frontier"), is hereby notifying you of a scheduled event to occur on the following dates to complete mechanical tie-ins for the Train 4 Cryo Unit and routine general maintenance.

19184924701

Shutdown dates: April 28, 29, 30, 2014

Please take the necessary actions to shut in all of your delivery points during this time period. Please physically block in the gas sales line and do not rely only on the pressure relief valve (Kimray). Feel free to coordinate these efforts with any of the Frontier representatives referenced below. In the event of any changes to these scheduled dates or if the work required takes longer than anticipated, you will be notified accordingly.

: Name	Office Phone	Cell Phone	E-Mail Address
Jerry Wright	575-676-3512	575-361-0154	jwright@akaenergy.com
Joe Calderon	575-676-3506	575-361-0148	jcalderon@akaenergy.com
John Lopez		575-361-0348	jlopez@akaenergy.com
Ed Kelsey		575-361-0367	ekelsey@akaenergy.com
Control Room	575-676-2400		

Please provide us with a company contact, phone number and e-mail address to facilitate the shut-in and reopening of the delivery points. Please do not return to normal production until you hear from a Frontier representative.

If you have any questions or concerns, you may contact me at 918.388.8420.

Sincerely,

JeffHull

Jeff Huli

Vice President of Gas Supply