District I 2 1625.N: French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 HOBBS OCD District III 1000 Rio Brazos Road, Aztec, NM 87410

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 1 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

vit No

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)

A.	Applicant Merit Energy Company				
	whose address is 13727 Noel Rd. Ste. 1200 Da	allas, TX 75240		,	
	hereby requests an exception to Rule 19.15.1	8.12 for <u>3</u>		days or until	
	May 1 , Yr <u>2014</u> ,	for the following	ng described tank ba	attery (or LACT):	
	Name of Lease Various Wells (See Attached)	Name of P	ool		
	Location of Battery: Unit Letter	Section	Township	_Range	
	Number of wells producing into battery			and arthur du live on the one	
	Based upon oil production of	baı	rels per-day, the es	timated *.volume	
e daye iyemil	of gas to be flared is 22 200 mcfd	MCF; Value	New Agent in the administration of the action of the Agent is a second	per day	
म् अस्ति सुम्बर्गः C .	Name and location of nearest gas gathering f				
eiinuune T			•	RECEIVED	
$\mathbf{\hat{D}}_{i,j}^{(i)}$	DistanceEstimated c	ost of connection	on	MAY 0 2 2014	
E.	This exception is requested for the following	reasons:		NMOCD ARTESIA	
	Frontier Field Services, LLC's plant has shut down for repairs and maintenance.				
				· · · · · · · · · · · · · · · · · · ·	
PERATOR		OIL CONSE	RVATION DIVISIO	DN	
Division have bee	at the rules and regulations of the Oil Conservation in complied with and that the information given above ete to the best of my knowledge and belief.	Approved Un	til 5/2/	2014	
1	ete to the best of thy knowledge and benef.		~~ 17	HP	
Signature	meme and leanuary of the oil yet go deserving a	By	YV afey	Usloun	
Printed Name & Title <u>Matt (</u>	Ogden; Regulatory: Analyst	Title	COMPLIAN	CE OFFICER	
E-mail Addres	s_matt.ogden@meritenergy.com	Date	4/21/	2014	
Date 04/14/20	Telephone No.; (972)628-1603				

^{*} 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	300153211500	
Shugart West 24 Federal G 002	300153174200	
Shugart West 24 Federal J 003	300153158100	
Shugart West 30 Federal C 001	300153053300	



April 4, 2014

08:31am

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

Merit Energy Company Contract Administration 13727 Noel Road April 2 Suite 500 Dallas, TX 75240

RE:

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.

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,

Jeff Hull

Jeff Hull Vice President of Gas Supply

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