

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)

RECEIVED
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 Dallas, TX 75240,
hereby requests an exception to Rule 19.15.18.12 for 3 days or until
May 1, Yr 2014, for the following described tank battery (or LACT):
Name of Lease Various Wells (See Attached) Name of Pool _____
Location of Battery: Unit Letter _____ Section _____ Township _____ Range _____
Number of wells producing into battery _____

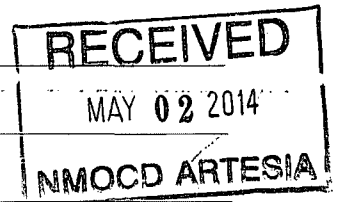
B. Based upon oil production of _____ barrels per day, the estimated * volume
of gas to be flared is 200 mcf MCF; Value _____ per day.

C. Name and location of nearest gas gathering facility: _____

D. Distance _____ Estimated cost of connection _____

E. This exception is requested for the following reasons: _____

Frontier Field Services, LLC's plant has shut down for repairs and maintenance.



OPERATOR

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature [Signature]

Printed Name
& Title Matt Ogden, Regulatory Analyst

E-mail Address matt.ogden@meritenergy.com

Date 04/14/2014 Telephone No. (972)628-1603

OIL CONSERVATION DIVISION

Approved Until 5/2/2014

By [Signature]

Title COMPLIANCE OFFICER

Date 4/21/2014

* 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

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

Merit Energy Company
Contract Administration
13727 Noel Road
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

Ncl