| Submit I Copy To Appropriate District Office | State of New Mo | | Form C-103 |
|--|------------------------------------|----------------------|--|
| <u>District I</u> – (575) 393-6161 1625 N. French Dr., Hobbs, NM 88240 | Energy, Minerals and Nati | ural Resources | Revised August 1, 2011 WELL API NO. |
| <u>District II</u> – (575) 748-1283 | OIL CONSERVATION DIVISION | | |
| 811 S. First St., Artesia, NM 88210 District III – (505) 334-6178 | 1220 South St. Francis Dr. | | 5. Indicate Type of Lease |
| 1000 Rio Brazos Rd., Aztec, NM 87410 | Santa Fe, NM 87505 | | STATE FEE 6. State Oil & Gas Lease No. |
| <u>District IV</u> – (505) 476-3460 1220 S. St. Francis Dr., Santa Fe, NM | Santa 1 C, 14111 O | 7303 | 6. State Off & Gas Lease No. |
| 87505 | CES AND REPORTS ON WELLS | 2 | 7. Lease Name or Unit Agreement Name |
| (DO NOT USE THIS FORM FOR PROPOSA DIFFERENT RESERVOIR. USE "APPLICA | ALS TO DRILL OR TO DEEPEN OR PL | UG BACK TO A | 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 | | | 873 |
| 3. Address of Operator 303 Veterans Airpark Lane, Suite 300 | 00 Midland TX 79705 | | 10. Pool name or Wildcat Yeso |
| 4. Well Location | o Midiana, 177 70700 | | 1030 |
| Unit Letter K : | feet from the | line and | feet from the line |
| Section 35 | | ange 28E | NMPM County Eddy |
| | 11. Elevation (Show whether DI | | , |
| | · | | |
| | | | |
| 12. Check A | ppropriate Box to Indicate N | Nature of Notice, | Report or Other Data |
| NOTICE OF INT | FNTION TO: | SUB | SEQUENT REPORT OF: |
| PERFORM REMEDIAL WORK | PLUG AND ABANDON | REMEDIAL WOR | |
| TEMPORARILY ABANDON | CHANGE PLANS | COMMENCE DRI | LLING OPNS. ☐ P AND A ☐ |
| PULL OR ALTER CASING | MULTIPLE COMPL | CASING/CEMEN | ΓJOB □ _₹ |
| DOWNHOLE COMMINGLE | | | , |
| OTHER: Flare Gas | Ø | OTHER: | · |
| | | | d give pertinent dates, including estimated date |
| proposed completion or reco | | C. For Multiple Col | mpletions: Attach wellbore diagram of |
| Apache is requesting permission to | | attany The ADI# for | and well are as follows: |
| Apache is requesting permission to | temporarily hare the D State 74 B | allery. The API# 101 | each well are as follows. |
| 30-015-31426 30-015 | -40232 | | |
| 30-015-30977 30-015 | -40233 | | |
| 30-015-31389 30-015- 30-015-38468 30-015- | | | RECEIVED |
| 30-015-39267 30-015 | | | } "LOLIVED |
| 30-015-39924 30-015 | | | APR 1 0 2014 |
| 30-015-40145 30-015 | | | 1 20 2014 |
| 30-015-40441 30-015 30-015-40231 30-015 | | | NMOCD ARTESIA |
| 30-015-40231 30-015 | -40130 | | THE PARTY OF THE P |
| | | | |
| Smud Data | Die Delege D | lata | |
| Spud Date: | Rig Release D | rate: | |
| | | | |
| I hereby certify that the information a | bove is true and complete to the b | est of my knowledg | e and belief. |
| | | | |
| SIGNATURE SIGNATURE | TITLE ROOM | latory Analyst II | DATE 04/09/2014 |
| JIGNATURE - | | iatory / maryst II | DATE_ 04/08/2014 |
| Type or print name Fatima Vasquez | E-mail addres | S: Fatima.Vasquez@ap | achecorp.com PHONE: (432) 818-1015 |
| For State Use Only | Λ | AC a | |
| APPROVED BY: | W TITLE () | 15TOLXIK | DATE 4-10-14 |
| Conditions of Approval (if any): | THE TOTAL | <i>U</i> | DATE |

A See Attached COA'S

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

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 Apache Corporation , | | | | |
|----------------------|---|--|--|--|--|
| | whose address is 1945 Bluestem Road, Artesia, NM 88210 | | | | |
| | 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 Lease D State 74 BatteryName of Pool Yeso | | | | |
| | Name of Lease D State 74 Battery Name of Pool Yeso Location of Battery: Unit Letter K Section 35 Township 17S Range 28E | | | | |
| | Number of wells producing into battery18 | | | | |
| В. | Based upon oil production ofbarrels per day, the estimated * volume | | | | |
| | of gas to be flared isMCF; Valueper day. | | | | |
| C. | Name and location of nearest gas gathering facility: DCP Artesia | | | | |
| D. | DistanceEstimated cost of connection | | | | |
| E. | This exception is requested for the following reasons: This is for an extension to the | | | | |
| | previous one that will expire April 30, 2014. | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Division have bee | on the rules and regulations of the Oil Conservation are complied with and that the information given above tete to the best of my knowledge and belief. OIL CONSERVATION DIVISION Approved Until 404 31 30/4 | | | | |
| Signature | By Wall | | | | |
| Printed Name & Title | Fatima Vasquez - Regulatory Analyst II Title UST HScaperuss | | | | |
| E-mail Addres | Fatima.Vasquez@apachecorp.com Date 9-10-14 | | | | |
| Date 04/08/2 | 2014 Telephone No. (432) 818-1015 See Affiched COA'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. http://www.gacc.nifc.gov/swcc (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.

State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

David Martin Cabinet Secretary

Jami Bailey, Division Director Oil Conservation Division



Brett F. Woods, Ph.D. Deputy Cabinet Secretary

March 7, 2014

FOR IMMEDIATE RELEASE

Contact: Jim Winchester (505)231-8800 E-Mail: iim.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 www.nmforestry.com 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: http://gacc.nifc.gov/swcc/predictive/outlooks/monthly/swa monthly.pdf

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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.