Submit I Copy To Appropriate District State of New Mexico Form C-103 Office Revised August 1, 2011 Energy, Minerals and Natural Resources District 1 - (575) 393-6161-WELL API NO. 1625 N. French Dr., Hobbs, NM 88240 District II - (575) 748-1283 OIL CONSERVATION DIVISION 811 S. First St., Artesia, NM 88210 5. Indicate Type of Lease District III - (505) 334-6178 1220 South St. Francis Dr. STATE 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 6. State Oil & Gas Lease No. District IV - (505) 476-3460 1220 S. St. Francis Dr., Santa Fe, NM SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A AB State 647 Battery DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH 8. Well Number 1. Type of Well: Oil Well Gas Well Other 2. Name of Operator: 9. OGRID Number Apache Corporation 873 3. Address of Operator 10. Pool name or Wildcat 303 Veterans Airpark Lane, Suite 3000 Midland, TX 79705 4. Well Location Unit Letter N feet from the line and feet from the Section 32 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 \Box CASING/CEMENT JOB DOWNHOLE COMMINGLE OTHER: Flare Permit OTHER: 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 #1-30-015-41493 AB STATE 647 #9 AB STATE 647 #2 30-015-41494 AB STATE 647 #10 30-015-41500 30-015-41501 AB STATE 647 #3 30-015-41495 AB STATE 647 #11 30-015-41505 AB STATE 647 #4 30-015-41496 AB STATE 647 #12 30-015-41502 **AB STATE 647 #5** 30-015-41497 AB STATE 647 #13 30-015-41503 AB STATE 647 #6 30-015-41498 **AB STATE 647 #14** 30-015-41491 AB STATE 647 #7 30-015-41504 AB STATE 647 #15 30-015-41492 AB STATE 647 #8 30-015-41511 AB STATE 647 #16 Spud Date: Rig Release Date: I hereby certify that the information above is true and complete to the best of my knowledge and belief. SIGNATURE TITLE Regulatory Analyst II DATE 03/07/2014 Type or print name Fatima Vasquez PHONE: (432) 818-1015 E-mail address: Fatima.Vasquez@apachecorp.com For State Use Only APPROVED BY L Conditions of Approval (if any):

Dec Attached ODA's

District I
1625 N. French Dr., Hobbis, 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 Revised August 1, 2011

Submit one copy to appropriate District Office

NFO Permit No. ___

(For Division Use Only)

Form C-129

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** A. Applicant 1945 Bluestem Road, Artesia, NM 88210 whose address is hereby requests an exception to Rule 19.15.18.12 for days or until __, Yr _____, for the following described tank battery (or LACT): AB State 647 Battery Name of Pool Name of Lease Location of Battery: Unit Letter ____N __Section ___32 Township 16 Number of wells producing into battery ____ 250 Başed upon oil production of В. barrels per day, the estimated * volume of gas to be flared is MCF; Value 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. OIL CONSERVATION DIVISION **OPERATOR** I hereby certify that the rules and regulations of the Oil Conservation 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 Printed Name Fåtima Vasquez - Regulatory Analyst II & Title Fatima.Vasquez@apachecorp.com E-mail Address (432) 818-1015 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.
- 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.

Your initials here $\sqrt{20}$