| Office<br><u>District 1</u> – (575) 393-6161<br>1625 N. French Dr., Hobbs  | ************************************ | Form C-103<br>Revised August 1, 2011<br>WELL API NO. |                  |  |   |
|--|--------------------------------------|--|------------------|--|---|
| <u>District 11</u> – (575) 748-1283<br>811 S. First St., Artesia, N  |                                      |  | -                |  | 5 Indicate Tune of Lease                          |
| District III (505) 334-617   | 18                                   |  |                  |  |   |
| District IV - (505) 476-346  | 50                                   | Santa  | Fe, NM 87        | 505                                    | 6. State Oil & Gas Lease No.                      |
| SU   |                                      |  |                  | ······································ | 7. Lease Name or Unit Agreement Name              |
| DIFFERENT RESERVOI   |                                      |  |                  |  | D State 74 Battery                                |
| 1. Type of Well: Oil   |                                      | Well 🗌 Other   |                  |  | 8. Well Number                                    |
| 2. Name of Operator<br>Apache Corporation  | Į.                                   |  |                  |  | 1   |
| 3. Address of Operat   |                                      | · · · · · · · · · · · · · · · · · · ·                |                  | 1                                      |   |
|  | ane, Suite 3000 N                    | fidland, TX 79705                                    | 5                |  | Yeso  |
|  | ;                                    | feet from th   | · ·              | line and                               | feet from the line                                |
|  | 1                                    |  |                  |  |   |
|  |                                      |  |                  |  |   |
|  |                                      |  |                  |  |   |
| 1  | 2. Check Appr                        | opriate Box to                                       | Indicate Na      | ature of Notice                        | , Report or Other Data                            |
| NOT  | ICE OF INTER                         | NTION TO:  |                  | SUE                                    | SEQUENT REPORT OF:                                |
| Section 35 Township 17S Range 28E   11. Elevation (Show whether DR, RKB, RT, GR, Incomposition (Show whether DR, RKB, RT, GR, Incomposition, Incomposition, Show and the Incomposition (Clearly state all pertinent details of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple proposed completion or recompletion.   Apache is requesting permission to temporarily flare the D State 74 Battery. The API#   30-015-31426 30-015-40232   30-015-30977 30-015-40234   30-015-30967 30-015-40236   30-015-40238 30-015-40238   30-015-40441 30-015-40238 |                                      |  | REMEDIAL WOR     |  |   |
|  | -                                    |  |                  |  |   |
|  |                                      |  |                  | OADINGIGEMEN                           |   |
| OTHER Flare Gas  | 1                                    |  |                  |  |   |
| 13. Describe prop  | osed or completed                    | operations. (Clea                                    | urly state all p | ertinent details, a                    | nd give pertinent dates, including estimated date |
| A of starting an<br>proposed con   | y proposed work).                    | SEE RULE 19.15<br>etion.                             | 5.7.14 NMAC      | 2. For Multiple Co                     | ompletions: Attach wellbore diagram of            |
| Apache is requesting   | permission to tem                    | porarily flare the D                                 | ) State 74 Ba    | ttery. The API# for                    | r each well are as follows:                       |
| : 30-015-31426   | 30-015-40                            | 232  |                  |  |   |
| 30-015-30977   | ii 30-015-402                        | 233  |                  |  |   |
|  | 6                                    |  |                  |  |   |
|  | 1                                    |  |                  |  |   |
|  |                                      |  |                  | ï                                      |   |
|  |                                      |  |                  | :                                      |   |
| 30-013-40201,  | 00-010-40                            |  |                  | į                                      |   |
| · · · · · · · · · · · · · · · · · · ·  | 9 <del></del>                        |  |                  |  |   |
| Spud Date:   | 1                                    | Ri   | ig Release Da    | ite:                                   |   |
|  |                                      | I  |                  | · · ·                                  |   |
| I hereby certify that th   | e information abox                   | e is true and com                                    | nlete to the be  | est of my knowled                      | se and belief                                     |
|  |                                      |  |                  |  | <b>Bc</b>   |
| SIGNATURE  | · · ·                                | T  | ITLE Regula      | atory Analyst II                       | DATE_04/08/2014                                   |
| Type or print name <u>F</u>  | atima Vasquez                        | E  | -mail address    | ; Fatima.Vasquez@a                     | pachecorp.com PHONE: (432) 818-1015               |
| For State Use Only   | RODal                                | <u>^</u>   | ٨                |  |   |
| APPROVED BY:<br>Conditions of Approv   | al (if any):                         | TI   | ITLE DIST        | - HXpe                                 | WIST DATE 5/5/14                                  |
|  | 2                                    |  | •                |  |   |
| * See Ar   | Hicked                               | (OA)   | \$               |  |   |

District 1 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)

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)

|                              | ApplicantApache Corporation,<br>whose address is1945 Bluestem Road, Artesia, NM 88210,   |        |
|------------------------------|--|--------|
|                              | hereby requests an exception to Rule 19.15.18.12 for90days o   | or unt |
|                              | , Yr, for the following described tank battery (or LACT):  |        |
|                              | Name of Lease D State 74 Battery Name of Pool Yeso   Name of Battery: K 35 Township 17S 28E  |        |
|                              | Number of wells producing into battery 18  |        |
| В.                           | Based upon oil production of barrels per day, the estimated * volume   |        |
|                              | of gas to be flared is MCF; Value per day.   |        |
| C.                           | Name and location of nearest gas gathering facility:<br>DCP Artesia  |        |
| D.                           | DistanceEstimated cost of connection   |        |
| Е.                           | This exception is requested for the following reasons:   | _      |
|                              | previous one that will expire April 30, 2014.  |        |
|                              |  |        |
|                              |  |        |
|                              |  |        |
| ivision have<br>true and con | OIL CONSERVATION DIVISION<br>been complied with and that the information given above<br>applete to the best of my knowledge and belief.<br>OIL CONSERVATION DIVISION<br>Approved Until<br>Approved Until |        |
| ignature                     | By <u>NWGOU</u>  |        |
| inted Nan<br>Title           | <sup>1e</sup> Fatima Vasquez - Regulatory Analyst II Title ALST IL Spew ISN  |        |
| -mail Add                    | ressFatima.Vasquez@apachecorp.com Date <u>5/5/14</u>   |        |
| ate 04/0                     | 8/2014 Telephone No. (432) 818-1015  |        |

\* Gas-Oil ratio test may be required to verify estimated gas volume.

A See Attached COA;

## 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.
- No flaring operations to be conducted during red-flag days. <u>http://www.gacc.nifc.gov/swcc</u> (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  $\Re$ 5/5/14 11

## State of New Mexico Energy, Minerals and Natural Resources Department

Jami Bailey, Division Director

**Oil Conservation Division** 

Susana Martinez Governor

David Martin Cabinet Secretary

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

March 7, 2014

FOR IMMEDIATE RELEASE Contact: Jim Winchester (505)231-8800 E-Mail: jim.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 <u>www.nmforestry.com</u> 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: <u>http://gacc.nifc.gov/swcc/predictive/outlooks/monthly/swa\_monthly.pdf</u>

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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.

> 1220 South St. Francis Drive • Santa Fe, New Mexico 87505 Phone (505) 476-3460 • Fax (505) 476-3462 • www.emnrd.state.nm.us/ocd

