Submit 1 Copy To Appropriate District Office	State of New Mexico		Form C-103	
<u>District 1</u> – (575) 393-6161 1625 N. French Dr., Hobbs, NM 88240	Energy, Minerals and Natural 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 <u>District III</u> ~ (505) 334-6178	1220 South St. Francis Dr.		5. Indicate Type of Lease STATE FEE	
1000 Rio Brazos Rd., Aztec, NM 87410 <u>District IV</u> ~ (505) 476-3460 1220 S. St. Francis Dr., Santa Fe, NM	Santa Fe, NM 87505		6. State Oil & Gas Lease No.	
87505 SUNDRY NOT	ICES AND REPORTS ON WELL	LS	7. Lease Name or U	nit Agreement Name
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)			D State 74 Battery 8. Well Number	
1. Type of Well: Oil Well	Gas Well Other	•	9. OGRID Number	
2. Name of Operator Apache Corporation	•		873	
3. Address of Operator 303 Veterans Airpark Lane, Suite 3	000 M idland, TX 79705		10. Pool name or W Yeso	ildcat
4. Well Location				
Unit Letter K:			feet from t	
Section 35	Township 17S 11. Elevation (Show whether L			County Eddy
12. Check	Appropriate Box to Indicate	Nature of Notice,	Report or Other Da	ata
PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐ REMEDIAL WOR			ILLING OPNS. P	ORT OF: LTERING CASING ☐ AND A ☐
DOWNHOLE COMMINGLE				•
OTHER: Flare Gas		OTHER:		·
13. Describe proposed or comp	ork). SEE RULE 19.15.7.14 NM			
Apache is requesting permission	o temporarily flare the D State 74	Battery.Wells include	d in the above battery a	ire as follows:
30-015-30977 30-0 30-015-31389 30-0	15-40232 15-40233 15-40234 15-40235			
	15-40236 15-40237		. NM OIL	CONSERVATION
30-015-40145 30-0	15-40238			TESIA DISTRICT
	15-40239 15-40136		Ul	CT 1 6 2014
	·	(R	RECEIVED
Spud Date:	Rig Release	Date:		
I hereby certify that the information	above is true and complete to the	e best of my knowledg	ge and belief.	4
SIGNATURE WEST FUN	TITLE_Rec	gulatory Analyst I	DATI	E_ 10/13/2014
Type or print name Paige Futrell E-mail address: Paige futrell@apachecorp.com P			ecorp.com PHON	NE: (432) 818-1893
For State Use Only	rido /	(5-11)	DENVISO DATE	1-1-1-1
APPROVED BY: Conditions of Approval (if any):	TITLE		DATE I UCI WOOD	1909201
# See Ath	kched COA	5		

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)

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)

Applicant Apache Corporation				
whose address is1945 Bluestem Roa	d, Artesia, NM 88210			
	18.12 fordays or until			
, Yr,	for the following described tank battery (or LACT):			
	Name of Pool			
Location of Battery: Unit LetterK	Section Township 17S Range 28E			
Number of wells producing into battery	18			
	barrels per day, the estimated * volume			
of gas to be flared is1.2M	MCF; Valueper day.			
Name and location of nearest gas gathering DCP Artesia	facility:			
DistanceEstimated cost of connection				
This exception is requested for the following reasons: This is for an extension to the				
previous one that will expire October	r 31, 2014.			
	NM OIL CONSERVATION ARTESIA DISTRICT			
	OCT 1 6 2014			
	RECEIVED			
at the rules and regulations of the Oil Consequation	OIL CONSERVATION DIVISION			
n complied with and that the information given above	Approved Until Van 31, 2015			
	By Roole			
Paige Futrell - Regulatory Analyst I	Title DIST # Sylvisor			
Paige.Futrell@apachecorp.com	Date 10 38 2014			
014 Telephone No. (432) 818-1893	,			
	Name of Lease D State 74 Battery Location of Battery: Unit Letter K Number of wells producing into battery Based upon oil production of 1.2M Of gas to be flared is DCP Artesia Distance Estimated This exception is requested for the following previous one that will expire October at the rules and regulations of the Oil Conservation in complied with and that the information given above te to the best of my knowledge and belief. Paige Futrell - Regulatory Analyst I Paige Futrell@apachecorp.com			

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 **M**

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: 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 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.