Submit 1 Copy To Appropriate District Office <u>District I</u> – (575) 393-6161 1625 N. French Dr., Hobbs, NM 88240	LI – (575) 393-6161 L. French Dr., Hobbs, NM 88240 LI – (575) 748-1283 First St., Artesia, NM 88210 LII – (505) 334-6178 LII – (505) 344-6178 LII –		Form C-103 Revised August 1, 2011 WELL API NO.		
District II - (575) 748-1283 811 S. First St., Attesia, NM 88210 District III - (505) 334-6178 1000 Rio Brazos Rd., Aztec, NM 87410 District IV - (505) 476-3460			5. Indicate Type of Lease STATE 7 FEE 6. State Oil & Gas Lease No.		
1220 S. St. Francis Dr., Santa Fe, NM 87505 SUNDRY NOTICES AND REPORTS ON WELLS (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.)			7. Lease Name or Unit Agreement Name A State 40 Battery		
1. Type of Well: Oil Well 🔽 Gas Well 🗌 Other			8. Well Number		
2. Name of Operator Apache Corporation			9. OGRID Number 873		
3. Address of Operator 303 Veterans Airpark Lane, Suite 3000 Midland, TX 79705			10. Pool name or Wildcat Yeso		
4. Well Location					
Unit Letter Section 26	feet from the			line	
Section 26 Township 17S Range 28E NMPM County Eddy 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 11. Elevation 11. Elevat					
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 ALTERING CASING TEMPORARILY ABANDON CHANGE PLANS COMMENCE DRILLING OPNS PAND A PULL OR ALTER CASING MULTIPLE COMPL CASING/CEMENT JOB PAND A					
OTHER: Flare Permit		OTHER:			
 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 A State #40 Battery. Intermittent flaring will occur due to Frontier's inability to take our gas at this battery so we will need to flare it. Gas will be measured prior to flaring. Wells included in the above battery are as follows:					
30-015-38545 A State #40 30-015-41022 A State #80 30-015-38549 A State #48 30-015-41023 A State #81 30-015-38963 A State #49 30-015-411023 A State #81 30-015-38967 A State #49 30-015-41181 A State #82 30-015-38968 A State #59 30-015-41181 A State #82 30-015-38968 A State #73 30-015-41054 A State #74 30-015-41001 A State #79 A State #79 A State #79					
Spud Date:	Rig Release Da	ate:			
I hereby certify that the information above is true and complete to the best of my knowledge and belief.					
Λ					
SIGNATURE Jeabel Husson TITLE Regulatory Analyst DATE 02/10/2016					
Type or print name Isabel Hudson E-mail address: Isabel Hudson@apachecorp.com PHONE: (432) 818-1142 For State Use Only Image: Comparison of the state					
APPROVED BY: <u>ACCOL</u> TITLE <u>DIST ACOLUISODATE</u> 2/12/16 Conditions of Approval (if any): A See AHachoc COA's					
/~					

District J 1625 N. French Dr., Hobhs, 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)

А.	Applicant Apache Corporation	,			
	whose address is 1945 Bluestem Road	, Artesia, NM 88210			
	hereby requests an exception to Rule 19.15.18				
, Yr, for the following described tank battery (or LACT):					
	Name of Lease A State 40 Battery	Name of Pool Yeso			
		Section TownshipRange			
	Number of wells producing into battery	11			
В.	B. Based upon oil production ofbarrels per day, the estimated * volum				
	of gas to be flared is				
C.	Name and location of nearest gas gathering facility: Frontier Empire Abo Unit				
D.	Distance Estimated cost of connection				
E.	This exception is requested for the following reasons: Frontier Empire Abo Unit Gas Plant				
	cannot take our gas at this new battery. This is an extension to the permit that				
	expires 02/29/2016.				
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.		OIL CONSERVATION DIVISION Approved Until May 3 2016			
Signature Jeabel Houason		By ADade			
Printed Name Isabel Hudson - Regulatory Analyst & Title		Title DIST PSpeursn			
E-mail Addresslsabel.Hudson@apachecorp.com		Date 2/12/20/6			
Date 02/10/2016 Telephone No. (432) 818-1142 A See Attached COA					

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

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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. <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. <u>Flaring of gas is prohibited</u>. 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 MU

DATE: 2/12/14

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.



Jami Balley, Division Director

Oil Conservation Division

Susana Martinez Governor

David Martin Cabinet Secretary

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

March 7, 2014

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

