Office	State of New Me			orm C-103
District.1 - (575) 393-6161	Energy, Minerals and Natu	ral Resources		August 1, 2011
1625 N. French Dr., Hobbs, NM 88240 District II - (575) 748-1283			WELL APINO:	
811.S. First St., Artesia, NM-88210	OIL CONSERVATION DIVISION		5. Indicate Type of Lease	
<u>District III</u> – <u>(\$</u> 05) 334-6178 1000 Rio Brazos Rd., Aztec, NM 87410	1220 South St. Fran	4 4 76 6 7	STATE V FEE	
<u>District IV.</u> – (505) 476-3460 1220 S. St. Francis Dr., Santa Fe, NM	Santa Fe, NM 87	/505	6. State Oil & Gas Lease No	
87505		<u> </u>		
SUNDRY NOTIC (DO NOT USE THIS FORM FOR PROPOS	ES AND REPORTS ON WELLS	IG BACK TO A	7. Lease Name or Unit Agreement Name	
DIFFERENT RESERVOIR. USE "APPLICA	ATION FOR PERMIT" (FORM C-101) FO	DR SUCH	D State 74 Battery	
PROPOSALS.) 1. Type of Well: Oil Well	Gas Well Other		8. Well Number	
Name of Operator Apache Corporation		1	9. OGRID-Number 873	
3. Address of Operator			10. Pool name or Wildcat	
303 Veterans Airpark Lane, Suite 3000 Midland, TX 79705			Yeso	
4. Well Location				
Unit Letter K :	feet from the	line and [feet from the	line
Section 35		inge 28E	NMPM County Ed	dý
	11. Elevation (Show whether DR,	RKB; RT, GR, etc.		
- Activity of the second of th				
12. Check Ap	ppropriate Box to Indicate N	ature of Notice,	Report or Other Data	
NOTICE OF INT				
	PLUG AND ABANDON	REMEDIAL WOR	SEQUENT REPORT OF	
TEMPORARILY ABANDON.	CHANGE PLANS	COMMENCE DR		
and the second s	MULTIPLE COMPL	CASING/CEMEN	T JOB	
DOWNHOLE COMMINGLE				
OTHER: Flare Gas	· [7]	OTHER:		
13. Describe proposed or comple	ted operations. (Clearly state all 7	pertinent details, an	d give pertinent dates, including o	estimated date
of starting any proposed wor proposed completion or reco	k). SEE RULE 19.45.7.14 NMAC	C. For Multiple Co	impletions: Attach wellbore diagi	ainof
	**			•
Apache is requesting permission to	temporarily flare the D State 74 Ba	ttery. The API# for	each well are as follows:	
30-015-31426 30-015-	.40232			
30-015-30977 30-015				
30-015-31389 30-015	-40234			
	ionor			
	40235 40236			
30-015-39267 30-015- 30-015-39924 30-015	40236 40237			
30-015-39267 30-015- 30-015-39924 30-015- 30-015-40145 30-015	40236 40237 40238			
30-015-39267 30-015- 30-015-39924 30-015- 30-015-40145 30-015- 30-015-40441 30-015-	40236 40237 40238 40239			
30-015-39267 30-015- 30-015-39924 30-015- 30-015-40145 30-015	40236 40237 40238 40239			
30-015-39267 30-015- 30-015-39924 30-015- 30-015-40145 30-015- 30-015-40441 30-015-	40236 40237 40238 40239		······································	
30-015-39267 30-015- 30-015-39924 30-015- 30-015-40145 30-015- 30-015-40231 30-015-	40236 40237 40238 40239 40136	ite:	·	
30-015-39267 30-015- 30-015-39924 30-015- 30-015-40145 30-015- 30-015-40231 30-015-	40236 40237 40238 40239	íte:		
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30-015-39267 30-015- 30-015-39924 30-015- 30-015-40145 30-015- 30-015-40231 30-015-	40236 40237 40238 40239 40136 Rig Release Da	:	e and belief.	
30-015-39267 30-015-30-015-39924 30-015-39924 30-015-30-015-30-015-30-015-40441 30-015-30-015-40231 30-015-40	40236 40237 40238 40239 40136 Rig Release Da	st of my knowledg	e and belief.	
30-015-39267 30-015-39-24 30-015-39-24 30-015-39-24 30-015-30-015	40236 40237 40238 40239 40136 Rig Release Da	st of my knowledg	e and belief. DATE 05/21/2	01:3 ;
30-015-39267 30-015-30-015-39924 30-015-39924 30-015-30-015-40145 30-015-30-015-40231 30-015-30-015-40231 30-	40236 40237 40238 40239 40136 Rig Release Da	st of my knowledg	DATE 05/21/2	
30-015-39267 30-015-30-015-39924 30-015-39924 30-015-30-01	40236 40237 40238 40239 40136 Rig Release Da	est of my knowledg ntory Tech I : Fatima Vasquez@ar	DATE 05/21/20 PHONE: (432)	818-1015
30-015-39267 30-015-30-015-39924 30-015-39924 30-015-30-015-40145 30-015-30-015-40231 30-015-30-015-40231 30-	40236 40237 40238 40239 40136 Rig Release Da	est of my knowledg ntory Tech I : Fatima Vasquez@ar	DATE 05/21/2	818-1015

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)

Apache Corporation A. Applicant: 1945 Bluestem Road, Artesia, NM 88210 whose address is, 90 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 Battery Name of Pool Section 35 Location of Battery: Unit Letter Township. Number of wells producing into battery____ 700 Based upon oil production of ____ В. barrels per day, the estimated * volume 1.2M MCF; Value of gas to be flared is C. Name and location of nearest gas gathering facility: DCP Artesia Estimated cost of connection _ D. This exception is requested for the following reasons: Frontier Gas has shut Apache out E. of their gas line as a secondary selling point. Our primary buyer is DCP. We need a way of relief if DCP slam valve shuts, which would be to flare. **OPERATOR** OIL CONSERVATION DIVISION 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. Signature ? Printed Name Fatima Vasquez - Regulatory Tech I & Title Fatima.Vasquez@apachecorp.com E-mail Address (432) 818-1015 Téléphone No.

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

& SEE Attached COA'S

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 ARDade

1 / May 24-2013

State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

. . . .

John Bemis
Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey
Division Director
Oil Conservation Division



March 19, 2013

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 460 fires have burned 25,475 acres on state and private land in calendar year 2012.

Forecasts remain dismal this spring with fewer chances for normal precipitation, particularly in southwestern New Mexico and southeastern Arizona. Temperatures could also 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.

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 call your local district office.

New Mexico State Forestry offers the following guidelines for establishing effective defensible space:

- Create a "Lean, Clean and Green" firebreak area by removing flammable vegetation and growth within 30 feet of each structure. Single trees and shrubs may be retained if they are well spaced, pruned and placed so they avoid the spread of fire. Maintain an irrigation system for any vegetation near structures.
- Keep grass and weeds mowed.
- Prune lower tree limbs to at least 6 feet up to 15 feet (or lower 1/3 of branches on smaller trees).
- · Remove vegetation and debris around propane tanks.

For the latest fire weather information please visit USDA Forest Service website: http://activefiremaps.fs.fed.us/current.php

HHH

The Energy, Minerals and Natural Resources Department provides resource protection and renewable energy resource development services to the public and other state agencies.