NM OIL CONSERVATION

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
Picture IV

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 RECEIVED

ARTESIA DISTRICT State of New Mexico Energy Minerals and Natural Resources

Form C-129 Revised August 1, 2011

APR 1 3 2016

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

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)

A.	Applicant <u>Devon Energy Produ</u>	uction Comr	any, LP			
	whose address is 333 West Sheridan Avenue, OKC, OK 73102,					
	hereby requests an exception to Rule 19.15.1					
	Vune 30, Yr 16, for the following described tank battery (or LACT):					
	Name of Lease Cooter 16 State 1H Name of Pool (96757) Willow Lake; Bone Spring					
	Location of Battery: Unit Letter N Section	n <u>16</u>	Township 25S	Range 29E		
	Number of wells producing into battery: 4 WE (30-015-37627), 4H (30-015-37628),	LLS- Cooter 1	6 State 1H (30-015-37	625), 2H (30-015-37626), 3H		
В.	Based upon oil production of4		barrels per day, the	e estimated * volume		
	of gas to be flared is 475 MC	F; Value		per day.		
C.	Name and location of nearest gas gathering facility: <u>Currently tied into DCP Midstream</u>					
D.	Distance Estimated cost of connection					
E.	This exception is requested for the following	reasons:				
	Devon requesting flare due to upcoming Zia Maintenance on Tuesday March 22nd, Received verbal from Randy Dade (NMOCD) on 03.23.16. We are requesting a flare extension for 90 days, starting March 21, 2016 to June 20, 2016.					
OPERATOR I hereby certify to	hat the rules and regulations of the Oil Conservation		ERVATION DIV			
Division have be	en complied with and that the information given above lete to the best of my knowledge and belief.	Approved	Until <u>6/30</u>	114		
Signature	Linda Good	By M	alia Pous	famante)		
Printed Name & Title Li	nda Good, Regulatory Compliance Spec.	Title	susiness A	o. Sp.		
	sslinda.good@dvn.com	Date	113/16	•		
Date 03.23.	.16 Telephone No. (405) 552-6558	*Ple	ase) See a	ttached C.O.A.		

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 AB

DATE: 4/13/14

State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

David Martin
Cabinet Secretary

Jami Bailey, Division DirectorOil Conservation Division



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

March 7, 2014

FOR IMMEDIATE RELEASE

Contact: Jlm 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 Natūral Resources Department provides resource protection and renewable energy resource development services to the public and other state agencies.

State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

David Martin Cabinet Secretary

Tony Delfin
Deputy Cabinet Secretary

David R. Catanach, Division Director Oil Conservation Division



NOTICE TO OPERATORS

The Oil Conservation Division ("OCD") has been tasked to study flaring and develop a gas capture plan by the end of the year with the ultimate goal to reduce natural gas emissions.

Current OCD reporting has no specific method to differentiate flared and vented volumes reported on C-115 reports. This prevents the OCD from having quantifiable flaring data per Rule 19.15.18.12.F NMAC.

Therefore, to collect flaring volumes and differentiate actual vented volumes going forward, NMOCD will implement a new "Non-Transported Disposition" Code (for gas) to be reported on the C-115 reports. The new code will be "F" for Flared. The new code "F" is to be used to report the volume of gas that is flared on a well basis, or total volume if flared at a common battery or gathering system and reported under one point of disposition. Operators must report vented and flared volumes separately to their respective "Non Transported Disposition" code ("V" for vented and "F" for flared).

The change will become effective for the November 2015 production month with reporting due by January 15, 2016.

The NMOCD will be conducting operator outreach training sessions in the Southeast and Northwest to provide information and answer questions regarding the process.

Meeting notices will be posted on NMOCD website at: http://www.emnrd.state.nm.us/OCD/announcements.html

The C-115 instructions are available on NMOCD website at: http://www.emnrd.state.nm.us/OCD/documents/eC115 FullInstructions.pdf

RULES

19.15.7.24 OPERATOR'S MONTHLY REPORT (Form C-115):

A. An operator shall file a form C-115 for each non-plugged well completion for which the division has approved a form C-104 and for each secondary or other enhanced recovery project or pressure maintenance project injection well or other injection well within the state, setting forth complete information and data indicated on the forms in the order, format and style the director prescribes. The operator shall estimate oil production from wells producing into common storage as accurately as possible on the basis of periodic tests.

19.15.18.12 CASINGHEAD GAS:

F. Pending connection of a well to a gas-gathering facility, or when a well has been excepted from the provisions of Subsection A of 19.15.18.12 NMAC, the operator shall burn all gas produced and not used, and report the estimated volume on form C-115.

Thank you for your assistance in this matter. If you have any questions please contact the appropriate OCD District Office.

Sincerely,

David R. Catanach

Director, Oil Conservation Division

Office		exico	Form C-103
District I (575) 393-6161	Energy, Minerals and Nat	ural Resources	Revised July 18, 2013
1625 N. French Dr., Hobbs, NM 88240			WELL API NO.
<u>District II</u> - (575) 748-1283 811 S. First St., Artesia, NM 88210	OIL CONSERVATION	N DIVISION	30-015-37625
District III - (505) 334-6178	1220 South St. Fra		5. Indicate Type of Lease
1000 Rio Brazos Rd., Aztec, NM 87410			STATE FEE
District IV = (505) 476-3460	Santa Fe, NM 8	7303	6. State Oil & Gas Lease No.
1220 S. St. Francis Dr., Santa Fe, NM 87505			
	ICES AND REPORTS ON WELL	S	7. Lease Name or Unit Agreement Name
(DO NOT USE THIS FORM FOR PROPO	SALS TO DRILL OR TO DEEPEN OR PI	JUG BACK TO A	Cooter 16 State
	CATION FOR PERMIT" (FORM C-101) F	OR SUCH	8. Well Number
PROPOSALS.) 1. Type of Well: Oil Well	Gas Well Other		1H
2. Name of Operator	Gas Well Duller		9. OGRID Number
	ON ENERGY PRODUCTION CO	MPANV IP	6137
3. Address of Operator	10. Pool name or Wildcat		
	EST SHERIDAN AVENUE, OKC	COK 73102	96217 Willow Lake; Bone Spring
<u> </u>			John Willey Lone, Done oping
4. Well Location			
Unit Letter N: 330		ine and <u>1580</u>	feet from the <u>West</u> line
Section 16	Township 25S	Range 291	
	11. Elevation (Show whether DI	R, RKB, RT, GR, etc	
	3000'		
			•
12. Check A	Appropriate Box to Indicate N	Nature of Notice.	Report or Other Data
33. 3	-PPP22400 vo		,
NOTICE OF IN	ITENTION TO:	SUE	SSEQUENT REPORT OF:
PERFORM REMEDIAL WORK	PLUG AND ABANDON .	REMEDIAL WOR	RK ALTERING CASING
TEMPORARILY ABANDON	CHANGE PLANS	COMMENCE DR	RILLING OPNS. P AND A
PULL OR ALTER CASING	MULTIPLE COMPL	CASING/CEMEN	IT JOB
DOWNHOLE COMMINGLE			
CLOSED-LOOP SYSTEM			
OTHER: Flare Extension	<u>\</u>	OTHER:	
			nd give pertinent dates, including estimated date
		C. For Multiple Co	ompletions: Attach wellbore diagram of
proposed completion or rec	ompletion.		
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