State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Secretary

Adrienne Sandoval, Division Director Oil Conservation Division



NOTICE FLARE STACK RETROFIT CERTIFICATION REQUIREMENTS

November 16, 2022

On May 25, 2021, the New Mexico Energy, Minerals and Natural Resources Department, Oil Conservation Division's ("OCD") Natural Gas Waste rules 19.15.27 and 19.15.28 NMAC went into effect. 19.15.27.8.E(3)(b) requires "A flare stack installed before May 25, 2021, shall be retrofitted with an automatic ignitor, continuous pilot, or technology that alerts the operator that the flare may have malfunctioned no later than 18 months after May 25, 2021". Not applicable to this provision are Flare Stacks at wells or facilities which have an average daily production of equal to or less than 60 Mcf/D and were installed prior to May 25, 2021. These Flare Stacks are only required to be retrofitted if replaced. Flare retrofits were incorporated into the rules to ensure that flare stacks remain lit and that gas going through the flare stacks is properly flared instead of vented in accordance with 19.15.27.8.A NMAC which states "In all circumstances, the operator shall flare rather than vent natural gas except when flaring is technically infeasible or would pose a risk to safe operations or personnel safety, and venting is a safer alternative than flaring".

The 18-month deadline for the retrofit is November 25, 2022. To ensure compliance with the retrofit requirements in 19.15.27.8.E(3)(b) NMAC, the OCD has created an electronic one-time certification to be completed by each operator. This certification requires reporting of the total number of flare stacks, the number that have been installed on May 25, 2021 or later and have the required technology, the number of flare stacks that are required to be retrofitted, and how many have been properly and timely retrofitted as required. An attachment is required with additional information if a flare has not met the compliance requirements and not been retrofitted. That form can be accessed through the OCD Permitting site, the specific form name is "[UF-FAC] FS Certification (UF-FSC)". An example form is attached to this notice.

While the retrofits must be completed by November 25, 2022, there is additional time to file the Certification. The Certification must be completed by December 31, 2022. OCD requires this certification as part of a one-time compliance investigation pursuant to 1978 NMSA 70-2-11 A, 70-2-12 A, and 19.15.27.8.E.(3) NMAC. This notice serves as

1220 South St. Francis Drive • Santa Fe, New Mexico 87505 Phone (505) 476-3460 • Fax (505) 476-3462 • www.emnrd.state.nm.us/ocd OCD's written request to operators and any operators who do not meet the certification deadline may be subject to enforcement actions.

Please continue to submit any questions to EMNRD.Wasterule@emnrd.nm.gov.



OCD Permitting

Home > Submissions > All OCD Forms > UF-FSC > Submit Application

Submit Non-Fee [UF-FAC] FS Certification (UF-FSC)

Submission Contact, Application, Fee and Payment Details

First Name: Application Status: Draft Application

Last Name: Please call (505) 476-3441 or email ocd.fees@state.nm.us for support.

Fee Amount: \$0.00

Edit Submission Contact Details

EXAMPLE PAGE

Method of submission

Upload Attachment(s):

Email:

Attachment Type (Description) Tag(s)	Original Uploaded File Name	
Pending Installation List Add Tag	Test document.pdf (44.9 KB) Replace File	<u>Delete</u>
Low Production List Add Tag	Test document.pdf (44.9 KB) Replace File	<u>Delete</u>
Pending Retrofit List Add Tag	Test document.pdf (44.9 KB) Replace File	<u>Delete</u>
	Files: 3 Total Size: 134.6 KB	

↑ Add Application Attachments

Notice: It is your responsibility to verify that your uploaded application and attachments are complete and attached successfully.

- . If your upload is successful and your application or attachments contains fillable fields, use the link above to verify all the fields are being populated appropriately.
- If the fields in your file(s) are not being populated after uploading, we recommend using your editing software to flatten or restrict the editing options on your file(s) prior to uploading.
- Use the delete link to remove any attachment and re-upload a new file; only the current attachment(s) is submitted for review.

Definitions

19.15.27.8.E(3)(a) NMAC requires operators installing flare stacks after May 25, 2021 to equip them with an automatic ignitor or continuous pilot.

19.15.27.8.E(3)(b) NMAC requires operators to retrofit a flare stack installed before May 25, 2021, with an automatic ignitor, continuous pilot, or technology that alerts the operator that the flare may have malfunctioned, no later than 18 months after May 25, 2021. The retrofit deadline is November 25, 2022.

19.15.27.8.E(3)(c) NMAC requires flare stacks at wells or facilities, with an average daily production of equal to or less than 60 MCF per day (MCF/d), are only required to be retrofitted if replaced after May 25, 2021.

If a well or facility has more than one flare stack, they should be individually counted and as necessary, listed individually in the attachments.

For average daily production calculations

- "Average daily well production" means the number derived by dividing the total volume of natural gas produced from a single well in the preceding 12 months by the number of days that natural gas was produced from the well during the same period.
- "Average daily facility production" means, for a facility receiving production from two or more wells, the number derived by dividing the total volume of natural gas produced from all wells at the facility during the preceding 12 months by the number of days, not to exceed 365, that natural gas was produced from one or more wells during the same period.

For the sake of brevity and completeness, please allow for the following in all groups of questions and for the rest of this application:

- this application's operator, hereinafter "this operator";
- hereinafter (i) all devices equipped with a burner used to flare natural gas,
 - (ii) all independently registered flare stacks, and

· number of flare stacks at wells, hereinafter "well flare stacks"; · number of flare stacks at facilities, hereinafter "facility flare stacks"; • flare stacks at any location(s), with a current average daily production (hereinafter w/ c.a.d.p.) in relationship to the 60 MCF per day threshold calculations defined above. Questions **Prerequisites** Reason For Filing Self-Certification of Flare Stack - Installation, Low Production and Retrofitting [OGRID] Operator Active wells on file for this operator Active facilities on file for this operator **Certification of All Flare Stacks** Please answer all the questions in this group. Total number of flare stacks at ALL locations. Total well flare stacks 100 Clear Total facility flare stacks 100 Clear Total flare stacks at ALL locations 200 Certification of Installations on May 25th 2021 or Later Please answer all the questions in this group. Number of flare stacks installed May 25th 2021 or later. Well flare stacks installed May 25, 2021 or later 20 Clear Facility flare stacks installed May 25, 2021 or later 20 Clear Number of flare stacks installed May 25th 2021 or later that didn't have an automatic ignitor or continuous pilot. Well flare stacks installed May 25, 2021 or later pending installation 10 Clear Facility flare stacks installed May 25, 2021 or later pending installation 10 Clear Total flare stacks installed May 25th 2021 or later pending installation 1 20 Certification of Installations Prior to May 25th 2021 Please answer all the questions in this group. Number of flare stacks installed prior to May 25th 2021. Well flare stacks installed prior to May 25, 2021 80 Facility flare stacks installed prior to May 25, 2021 80 Number of flare stacks at locations (w/ c.a.d.p.) less than or equal to 60 MCF per day (MCF/d) installed prior to May 25th 2021. Prior well flare stacks at locations (w/ c.a.d.p.) ≤ 60 MCF/d 20 Clear Prior facility flare stacks at locations (w/ c.a.d.p.) ≤ 60 MCF/d 20 Clear Total prior flare stacks at locations (w/ c.a.d.p.) ≤ 60 MCF per day 2 40

	Prior well flare stacks at locations (w/ c.a.d.p.) > 60 MCF/d	60				
	Prior facility flare stacks at locations (w/ c.a.d.p.) > 60 MCF/d	60				
	Number of flare stacks at locations (w/ c.a.d.p.) more than 60 MCF per day (MCF/d	of flare stacks at locations (w/ c.a.d.p.) more than 60 MCF per day (MCF/d) installed prior to May 25 th 2021, that have been retrofitted as required.				
	Prior well flare stacks at locations (w/ c.a.d.p.) > 60 MCF/d, already retrofitted	50	Clear			
,	Prior facility flare stacks at locations (w/ c.a.d.p.) > 60 MCF/d, already retrofitted	50	Clear			
	Number of flare stacks at locations (w/ c.a.d.p.) more than 60 MCF per day (MCF/d	f) installed prior to May 25 th 2021, that require retrofitting.				
	Prior, pending retrofit, well flare stacks at locations (w/ c.a.d.p.) > 60 MCF/d	10				
	Prior, pending retrofit, facility flare stacks at locations (w/ c.a.d.p.) > 60 MCF/d	10				
	Total prior flare stacks that require and are pending retrofit ³	20				
ells	and Facilities Still Pending Installation, Low Production Exception, and Pending Re	etrofit				
ovide	e detailed information in a required attachment for any item with a value greater than zero.					
	¹ Total flare stacks installed May 25 th 2021 or later pending installation	20				
	For flare stacks installed May 25 th 2021 or later without an automatic ignitor or continuous pilot, supply a "Pending Installation List" with the following information: (i) location name; (ii) well API or facility ID (f#); (iii) location coordinates; (iv) planned installation date; (v) planned installation type; (vi) average daily flare volume; (vii) a brief description of why the flare was not constructed with an auto ignitor or continuous pilot.					
	2 Total prior flare stacks at locations (w/ c.a.d.p.) \leq 60 MCF per day	40				
	For flare stacks installed prior to May 25 th 2021 at locations (w/ c.a.d.p.) less than or equal to 60 MCF per day, supply a "Low Production List" with the following information: (i) location name; (ii) well API or facility ID (f#); (iii) location coordinates; (iv) original installation date; (v) average daily production volume; (vi) average daily flare volume.					
	³ Total prior flare stacks that require and are pending retrofit	20				
	For flare stacks installed prior to May 25 th 2021 at locations (w/ c.a.d.p.) greater than 60 (i) location name; (ii) well API or facility ID (f#); (iii) location coordinates; (iv) planned retro (vii) a brief description of why the flare has not been retrofitted yet.	MCF per day <u>not yet retrofitted</u> , supply a "Pending Retrofit List" with the following informa ofit date; (v) planned retrofit type; (vi) average daily flare volume;	tion:			
Acl	knowledgments					
/	I certify that I am authorized to submit certifications on behalf of this operator.					
	I certify that this operator's flare stacks have been installed or retrofitted in compliance with indicated above.	19.15.27.8.E(3) NMAC except those listed in the three attachments, as defined, and				
	I hereby certify that, after reasonable inquiry, the information submitted with this documenta to civil and criminal penalties under the Oil and Gas Act.	ation is true, accurate and complete and acknowledge that a false statement may be subject	ct			
Sub	mit to OCD Delete					

 $\textit{Number of flare stacks at locations (w/ c.a.d.p.) more than 60 MCF per day (MCF/d) installed prior to May 25th 2021.}$