

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)

OIL CONS. DIV DIST. 3

OCT 24 2014

A. Applicant: WPX Energy Production, LLC

whose address is: P.O. Box 640, Aztec, NM 87410,

hereby requests an exception to Rule 19.15.18.12 until 11/17/14, for the following described tank battery (or LACT):

Name of Lease: Chaco 2408-32P #115H API-30-045-35491 Name of Pool: Nageezi Gallup

Location of Battery: Unit Letter P Section 32 Township 24N Range 8W

Number of wells producing into battery 2

B. Based upon oil production of 62 barrels per day, the estimated volume

of gas to be flared is 365 MCF/D; Value: \$1314 per day.

C. Name and location of nearest gas gathering facility:

Beeline Gas Systems, Sec 12, T23N, R07W

D. Distance BUILT Estimated cost of connection _____

E. This exception is requested for the following reasons: WPX Energy requests authorization to flare this well due to an expected spike in nitrogen content above 20% due to nearby frac activity on the Chaco 2308-06H #395H and Chaco 2308-06H #396H. As a result, the Chaco 2408-32P #115H is experiencing crossflow. The Chaco 2308-06H #395H and Chaco 2308-06H #396H plugs are expected to be drilled out on or around 10/29/14. WPX is planning to flare on or around 10/30/14 until or prior to 11/17/2014. Pipeline quality gas should be obtained by 11/17/14. A sample is currently being collected and sent to a third party for a gas analysis. The results of the gas analysis will be submitted upon receipt.

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.

Signature Mark Heil

Printed Name
& Title Mark Heil, Regulatory Specialist

E-mail Address mark.heil@wpxenergy.com

Date: _____ Telephone No. (505) 333-1806

OIL CONSERVATION DIVISION

Approved Until 11-18-2014

By Charles L...

Title SUPERVISOR DISTRICT # 3

Date OCT 27 2014

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