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

E.

State of New Mexico Energy Minerals and Natural Resources

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

Submit one copy to appropriate District Office

Form C-129

Revised August 1, 2011

(For Division Use Only)

NFO Permit

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) Α. 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 3/18/15, for the following described tank battery (or LACT): Name of Lease: Rita COM #4 API-30-039-23378 Name of Pool: Chaco Unit NE HZ (Oil) Location of Battery: Unit Letter F Section 8 Township 23N Range 6W Number of wells producing into battery 1 В Based upon oil production of 3 barrels per day, the estimated volume RECEIVED of gas to be flared is 3 MCF/D; Value: \$9 per day. C. Name and location of nearest gas gathering facility: FEB 17 2015 Enterprise, Sec 8, T23N, R06W NMOCD DISTRICT III Distance BUILT Estimated cost of connection D. This exception is requested for the following reasons: WPX requests authorization to emergency/vent this well to an open tank, followed by authorization to flare the well. WPX anticipates wellbore communication to occur as soon as 2/16/15 from stimulation activity on the NE CHACO COM #197H, NE CHACO COM #198H, NE CHACO COM #266H, and NE CHACO COM #267H. The Rita COM #4 well will not be shut in due to a possible pressure increase that may threaten the integrity of the well's downhole tubulars. Consequently, WPX plans to vent the well to an open tank in the event of wellbore communication. Personnel will be onsite with LEL monitors for the duration of the stimulation activity. Following the emergency venting procedure, WPX would flare the well for up to 30 days (until 3/18/15) to achieve an acceptable pipeline quality. The stimulation activity could possibly result in a significant nitrogen increase above Enterprise pipeline standards. If flaring occurs, the results of the gas analysis will be submitted upon receipt. If the well does not experience communication within the time of approval, a sundry will be written to clarify that WPX did not need to emergency vent or flare the well. OIL CONSERVATION DIVISION **OPERATOR** I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above Approved Until is true and complete to the best of my knowledge and belief. Signature \ Printed Name Mark Heil, Regulatory Specialist & Title Date mark.heil@wpxenergy.com E-mail Address

Telephone No. (505) 333-1806

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