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

Submit one copy to appropriate District Office

OIL CONS. DIV DIST. 3

APR 0 2 2015

NFO Permit No.

(For Division Use Only)

Form C-129 Revised August 1, 2011

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>WPX Energy Production, LLC</u>

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

hereby requests an exception to Rule 19.15.18.12 until 5/6/15, for the following described tank battery (or LACT):

Name of Lease:	CHACO 2308-06H #3	396H API	-30-045-3	5554	Name of P	ool: <u>Na</u>	geezi Gallup
			Ar. N				
Location of Batter	ry: Unit Letter <u>H</u>	Section	$\sqrt{32}$	<u>`</u> Townsh	ip <u>23N</u>	_Range	_ <u>8W</u>
		•		1			
Number of wells p	producing into battery _	2	$\underline{\checkmark}$	<i>'</i>			

B. Based upon oil production of <u>240</u> barrels per day, the estimated volume

of gas to be flared is 200 MCF/D; Value: <u>\$560</u> per day.

C. Name and location of nearest gas gathering facility:

Williams, Sec 6, T23N, R08W

D. Distance BUILT Estimated cost of connection

E. This exception is requested for the following reasons: 2nd Emergency Flare

WPX Energy requests authorization to flare this well due to an expected spike in nitrogen content above acceptable Williams pipeline standards due to nearby frac activity on the CHACO 2308-04D #282H & CHACO 2308-04D #458H. As a result, WPX Energy is anticipating that the <u>CHACO 2308-06H #396H</u> may experience crossflow. If a crossflow event on the well results in nitrogen content above Williams pipeline standards, flaring may begin as soon as 4/6/15, given approval. The well would flare for up to 30 days. Pipeline quality gas should be obtained within 30 days. A gas sample will be collected upon the confirmation of crossflow and sent to a third party for a gas analysis. The results of the gas analysis will be submitted upon receipt.

OPERATOR	OIL CONSERVATION DIVISION
I hereby certify that the rates 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	Approved Until
Printed Name & TitleLacey Granillo, Permit Tech III	
E-mail Addresslacey.granillo@wpxenergy.com	Date
Date: 4/1/15 Telephone No. (505) 333-1816	

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