C.

State of New Mexico Energy Minerals and Natural Resources

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

NFO Permit

Revised August 1, 2011 Submit one copy to appropriate

Form C-129

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>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 5/20/15, for the following described tank battery (or LACT):

Name of Lease: CHACO 2308-03L #404H API-30-045-35539 Name of Pool: Nageezi Gallup (330')

Location of Battery: Unit Letter L_____Section <u>3</u> Township <u>23N</u> Range <u>8W</u>

Number of wells producing into battery ____2____

B. Based upon oil production of <u>150</u> barrels per day, the estimated volume

of gas to be flared is 1000 MCF/D; Value: \$2640 per day.

OIL CONS. DIV DIST. 3

APR 17 2015

Name and location of nearest gas gathering facility:

Williams at Turtle Mountain, Sec 9, T23N, R08W

D. Distance BUILT Estimated cost of connection

E. This exception is requested for the following reasons: 1st flare extension

WPX Energy requests authorization to flare the CHACO 2308-03L #404H due to a potential crossflow event as a result of nearby frac activity on CHACO 2308-04L #283H, CHACO 2308-04L #284H & CHACO 2308-04L #459H. If a crossflow event on the well results in nitrogen content above Williams pipeline standards, flaring may begin as soon as 4/20/15, 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 rules and regulations of the Oil Conservation	
Division have been complied with and that the information given above	Approved Until $5.20 - 15$
is true and complete to the best of my knowledge and belief. Signature	By Charle Den
Printed Name	
& Title Lacey Granillo Permit Tech III	Title SUPERVISOR DISTRICT #3
E-mail Address lacey.granillo @wpxenergy.com	Date APR 2 0 2015
Date: 4/17/15 Telephone No. (505) 333-1816	

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