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)

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 7/30/15, for the following described tank battery (or LACT):

Name of Lease: NE Chaco Com #239H API-30-039-31204 Name of Pool: Chaco Unit NE HZ

Location of Battery: Unit Letter L Section 6 Township 23N Range 6W

Number of wells producing into battery 3

B. Based upon oil production of 64 barrels per day, the estimated volume

of gas to be flared is 766 MCF/D; Value: \$2129 per day.

OIL CONS. DIV DIST. 3

JUN 24 2015

С. Name and location of nearest gas gathering facility:

WPX 4-2 CDP ties to Williams , Sec 8, T23N, R6W

D. Distance BUILT Estimated cost of connection

E. This exception is requested for the following reasons: 1st Emergency Flare

WPX Energy requests authorization to flare the NE Chaco Com #239H if a potential cross flow event may occur as a result of a nearby Frac activity on the NE Chaco Com # 254H, 255H, 264H, & 265H. If a cross flow event on the well results in nitrogen content above Williams pipeline standards, flaring may begin as soon as 6/30/15 for 30 days, given approval. A gas sample will be collected upon the confirmation of the cross flow and sent to a third party for results of the gas analysis. The gas analysis will 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 Approved Until 7-30-15 is true and complete to the best of my knowledge and belief. Signature Printed Name & Title: Marie E. Jaramillo, Perhit Tech III Date JUN 2 6 2015 E-mail Address: mariejaramillo@wpxenergy.com Telephone No. (505) 333-1808

OIL CONSERVATION DIVISION

Title SUPERVISOR DISTRICT #3

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