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) Applicant: WPX Energy Production, LLC A. whose address is: P.O. Box 640, Aztec, NM 87410, hereby requests an exception to Rule 19.15.18.12 until 9/12/15, for the following described tank battery (or LACT): Name of Lease: S. Chaco UT #340H API-30-043-21247 Name of Pool: Lybrook Gallup Location of Battery: Unit Letter P Section 35 Township 23N Range 7W Number of wells producing into battery 2 B. Based upon oil production of 200 barrels per day, the estimated volume OIL CONS. DIV DIST. 3 of gas to be flared is 1800 MCF/D; Value: \$5166 per day. AUG 07 2015 C. Name and location of nearest gas gathering facility: Trunk H #8 ties to Enterprise, Sec 1, T22N, R7W Distance BUILT Estimated cost of connection D. This exception is requested for the following reasons: 1<sup>st</sup> Emergency Flare E. WPX Energy requests authorization to flare the S. Chaco UT #340H if a potential cross flow event may occur as a result of a nearby Frac activity on the S. Chaco UT #342H & 346H. If a cross flow event on the well results in nitrogen content above Enterprise pipeline standards, flaring may begin as soon as 8/12/15 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. OIL CONSERVATION DIVISION **OPERATOR** I hereby certify that the rules and regulations of the Oil Conservation 9-12-2015 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. Printed Name Title SUPERVISOR DISTRICT #3 & Title: Marie E. Jaramillo, Permit Tech III AUG 1 2 2015 Date E-mail Address: mariejaramillo@wpxenergy.com Telephone No. (505) 333-1808

<sup>\*</sup> Gas-Oil ratio test may be required to verify estimated gas volume.