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

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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)

| 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 2/27/16, for the following described tank battery (or LACT):

Name of Lease: NE Chaco Com #265H API-30-039-31290 Name of Pool: Chaco Unit NE HZ

Location of Battery: Unit Letter L Section 5 Township 23N Range 6W

Number of wells producing into battery 4

B. Based upon oil production of <u>35</u> barrels per day, the estimated volume

of gas to be flared is 2000 MCF/D; Value: \$4760 per day.

OIL CONS. DIV DIST. 3

JAN 19 2016

C. Name and location of nearest gas gathering facility:

WPX 4-2 CDP ties to Williams, Sec 12, T23N, R7W

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 #265H if a potential cross flow event may occur as a result of a nearby Frac activity on MC 6 Com 160H / 918H. If a cross flow event on the well results in nitrogen content above Williams pipeline standards, flaring may begin as soon as 1/27/16 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 | OIL CONSERVATION DIVISION |
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| I hereby certify that the rules 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. | Approved Until 2-27-2016 (|
| Signature MMMMM | By Charle Dern |
| Printed Name & Title: Marie E. Jaramillo, Permit Tech III | Title SUPERVISOR DISTRICT #3 |
| E-mail Address: <u>marie.jaramillo@wpxenergy.com</u> | Date JAN 26 2019 |
| Date: 1/19/16 Telephone No. (505) 333-1808 | and the second |

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