

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

NFO Permit

MAY 03 2016

Form C-129  
Revised August 1, 2011

Submit one copy to appropriate  
District Office

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 6/16/16, for the following described tank battery (or LACT):

Name of Lease: CHACO 2308-161 #148H API-30-045-35500 Name of Pool: Nageezi Gallup/Basin MC

Location of Battery: Unit Letter I Section 16 Township 23N Range 8W

Number of wells producing into battery 2

B. Based upon oil production of 110 barrels per day, the estimated volume of gas to be flared is 300 MCF/D; Value: \$573 per day.

C. Name and location of nearest gas gathering facility:

Beeline, Sec 16, T23N, R08W

D. Distance \_\_\_\_\_ BUILT \_\_\_\_\_ Estimated cost of connection \_\_\_\_\_

### EMERGENCY FLARE EXTENSION

E. WPX Energy requests authorization to flare the CHACO 2308-161 #148H if a potential cross flow event may occur as a result of a nearby Frac activity on W Lybrook UT #707H/708H/709H/747H/748H/749H. If a cross flow event on the well results in nitrogen content above Williams pipeline standards, flaring may begin as soon as 5/16/16 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 be 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 is true and complete to the best of my knowledge and belief.

Signature Lacey Granillo

Printed Name

& Title: LACEY GRANILLO- PERMIT TECH III

E-mail Address: lacey.granillo@wpxenergy.com

Date: 5/2/16

Telephone No. (505) 333-1816

#### OIL CONSERVATION DIVISION

Approved Until 6-16-16

By Charles R.

Title SUPERVISOR DISTRICT #3

Date MAY 10 2016

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

KC