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

Form C-129 Revised August 1, 2011

Submit one copy to appropriate District Office

No.		
)	(For Division Use Only)	i

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 19.15.18.12

(See Rule 19.13.16.12 NMAC	and Rule 19.13.7.37 NMAC)			
A. Applicant: WPX Energy Production, LI	<u>.c</u>			
whose address is: P.O. Box 640, Aztec, NM 87410,				
hereby requests an exception to Rule 19.15.18.12 until <u>1/14/17</u> , for the following described tank battery (or LACT):				
Name of Lease: Chaco 2308-09A #146H API-30-045-35498 Name of Pool: Nageezi Gallup				
Location of Battery: Unit Letter A	Section 09 Township 23N Range 8W			
Number of wells producing into battery2				
B. Based upon oil production of 86 barrels per da	B. Based upon oil production of <u>86</u> barrels per day, the estimated volume			
of gas to be flared is 196 MCF/D; Value: \$34	of gas to be flared is 196 MCF/D; Value: \$345 per day.			
C. Name and location of nearest gas gathering fa	Name and location of nearest gas gathering facility: OIL CONS. DIV DIST. 3			
Beeline, Sec 16, T23N, R08W				
D. DistanceBUILTEstimated cost	t of connection			
EMERGENCY FLARE EXTENSION				
E. WPX Energy requests authorization to flare the Chaco 2308-09A #146H if a potential cross flow event may occur as a result of a nearby Frac activity on Logos #5. If a cross flow event on the well results in nitrogen content above Williams pipeline standards, flaring may begin as soon as 12/14/16 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	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 is true and complete to the best of my knowledge and belief.	Approved Until 1-14-2017			
Signature	By Charl Den			
Printed Name & Title:LACEY GRANILLO- PERMIT TECH III	Title SUPERVISOR DISTRICT #3			
E-mail Address: lacey.granillo@wpxenergy.com	Date <u>DEC 1 4 2016</u>			
Date: 12/9/16 Telephone No. (505) 333-1816				

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