<u>District I</u> 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)

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 $\underline{4/23/17}$, for the following described tank battery (or LACT):	
Name of Lease: Chaco 2308 061 #397H API-30-045-35639 Name of Pool: Nageezi Gallup	
Location of Battery: Unit Letter I Section 06 Township 23N Range 8W	
Number of wells producing into battery1	
B. Based upon oil production of <u>155</u> barrels per	day, the estimated volume
of gas to be flared is 69 MCF/D; Value: \$174 per day.	
C. Name and location of nearest gas gathering fa	cility: OIL CONS. DIV DIST. 3
Beeline, Sec 16, T23N, R08W	MAR 16 2017
D. DistanceBUILTEstimated cost of connection	
EMERGENCY FLARE EXTENSION	
E. WPX Energy requests authorization to flare the <u>Chaco 2308 06I #397H</u> if a potential cross flow event may occur as a result of a nearby Frac activity on W Lybrook 701H/702H . If a cross flow event on the well results in nitrogen content above Williams pipeline standards, flaring may begin as soon as 3/23/17 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	Approved Until 4-23-20/7
is true and complete to the best of my knowledge and belief. Signature	By Than A
Printed Name & Title: LACEY GRANILLO- PERMIT TECH III	Title SUPERVISOR DISTRICT #3
E-mail Address: lacey.granillo@wpxenergy.com	Date MAR 16 2017
Date: 3/16/17 Telephone No. (505) 333-1816	

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

