<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 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, LL  | C                               |  |
| A.  | Applicant. WIA Energy Froduction, EL  | <u>nc</u>                       |  |
| whose address is: P.O. Box 640, Aztec, NM 87410,  |   |                                 |  |
| hereby requests an exception to Rule 19.15.18.12 $\underline{4/30/17}$ , for the following described tank battery (or LACT):  |   |                                 |  |
|   | Name of Lease: Chaco 2308-14E #151H API-30-045-35503 Name of Pool: Nageezi Gallup |                                 |  |
|   | Location of Battery: Unit Letter <u>E</u> S                                       | ection 14 Township 23N Range 8W |  |
|   | Number of wells producing into battery2_  |                                 |  |
| B.  | Based upon oil production of <u>64</u> barrels per day, the estimated volume      |                                 |  |
|   | of gas to be flared is 145 MCF/D; Value: \$42                                     | - 459                           |  |
| C.  | Name and location of nearest gas gathering facility:                              |                                 |  |
|   | Beeline, Sec 16, T23N, R08W   |                                 |  |
| D.  | DistanceBUILTEstimated cost   | of connection                   |  |
| EMERGENCY FLARE EXTENSION   |   |                                 |  |
| E. WPX Energy requests authorization to flare the <a href="Chaco 2308-14E #151H">Chaco 2308-14E #151H</a> if a potential cross flow event may occur as a result of a nearby Frac activity on W Lybrook 703H-704H-711H-713H-743H-744H. If a cross flow event on the well results in nitrogen content above Williams pipeline standards, flaring may begin as soon as 3/30/17 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 is true and complete to the best of my knowledge and belief.  |   | Approved Until 4-30 - 2017      |  |
| Signature   |   | By Charl Xtern                  |  |
| Printed Name & Title:LACEY GRANILLO- PERMIT TECH III  |   | TitlSUPERVISOR DISTRICT #3      |  |
| E-mail Address: lacey.granillo@wpxenergy.com  |   | Date 3.29-17                    |  |
| Date: 3/27/17   | Telephone No. (505) 333-1816  |                                 |  |

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