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) |

## 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  | <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>5/12/17</u> , for the following described tank battery (or LACT):  |   |  |  |
| Name of Lease: MC 4 COM #285H API-30-045-35643 Name of Pool: Nageezi Gallup/Basin MC   |   |  |  |
|  | Location of Battery: Unit Letter AS   | ection <u>08</u> Township <u>23N</u> Range <u>8W</u> |  |
|  | Number of wells producing into battery2_  |  |  |
| B.   | Based upon oil production of $\underline{13}$ barrels per day, the estimated volume |  |  |
|  | of gas to be flared is 84 MCF/D; Value: \$251 per day.                              |  |  |
| C.   | Name and location of nearest gas gathering facility:  APR 0 5 2017                  |  |  |
|  | Beeline, Sec 16, T23N, R08W   |  |  |
| D.   | DistanceBUILTEstimated cost of connection   |  |  |
| EMERGENCY FLARE EXTENSION  |   |  |  |
| E. WPX Energy requests a <u>continued</u> authorization to flare the <u>MC 4 COM #285H</u> if a potential cross flow event may occur as a result of a nearby Frac activity on <b>W Lybrook 704H/743H/744H</b> still occurring. If a cross flow event on the well results in nitrogen content above Williams pipeline standards, WPX requests an additional 30 days from our current expiration date of <u>4/12/17</u> , 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  |   | OIL CONSERVATION DIVISION                            |  |
| 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 <u>5-12-2017</u>                      |  |
| Signature  |   | By Charle Herm                                       |  |
| Printed Name   |   | TitleSUPERVISOR DISTRICT #3                          |  |
| & HUE: LACET GRANILLO-PERIVITI TECHTII I   |   | THEOUT ENTITORS                                      |  |
| E-mail Address: lacey.granillo@wpxenergy.com   |   | Date APR 07 2017                                     |  |
| Date: 4/5/17 Telephone No. (505) 333-1816  |   |  |  |

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