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

Form C-129 Revised August 1, 2011

Submit one copy to appropriate District Office

OIL CONS. DIV DIST. 3

DEC 2 0 2017

- Deputy Oil & Gas Inspector,

District #3

NFO Permit 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
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whose address is: P.O. Box 640, Aztec, NM 87410,

hereby requests an exception to Rule 19.15.18.12 until 2/7/18, for the following described tank battery (or LACT):

Name of Lease: W LYBROOK Unit #743H API- 30-045-35729 Name of Pool: LYBROOK MANCOS W

Location of Battery: Unit Letter <u>N</u> Section <u>8</u> Township <u>23N</u> Range <u>8W</u>

Number of wells producing into battery ____6____

B. Based upon oil production of <u>165</u> barrels per day, the estimated volume

of gas to be flared is 271 MCF/D; Value: \$770 per day.

C. Name and location of nearest gas gathering facility:

Williams at Turtle Mountain, Sec 9, T23N, R08W

D. Distance BUILT Estimated cost of connection

E. This exception is requested for the following reasons: Flare Extension

WPX Energy requests authorization to flare the <u>W LYBROOK Unit #743H</u> if a potential cross flow event may occur as a result of a nearby Frac activity on W Lybrook Unit #705H/745H/746H. If a cross flow event on the well results in nitrogen content above Williams pipeline standards, flaring may begin as soon as 1/7/18 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.

OIL CONSERVATION DIVISION

2/7

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E-mail Address____lacey.granillo@wpxenergy.com

Date: 12/21/17 Telephone No. (505) 333-1816

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