

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

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)

30-043-21139

RCVD NOV 27 '13
OIL CONS. DIV.
DIST. 3

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 12/31/13, for the following described tank battery (or LACT):

Name of Lease: **Chaco 2306-19M #191H**

Name of Pool: **Lybrook Gallup**

Location of Battery: Unit Letter M Section 19 Township 23N Range 6W

Number of wells producing into battery One

B. Based upon oil production of 190 barrels per day, the estimated volume

of gas to be flared is 350 MCFD; Value: \$1,176 per day.

C. Name and location of nearest gas gathering facility:

Beeline Gas Systems in NW qtr sec 18, T23N, R6W

D. Distance 10,000' Estimated cost of connection \$456,000.00

E. This exception is requested for the following reasons: Please see attached

OPERATOR

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.

Signature Heather Riley

Printed Name
& Title Heather Riley, Regulatory Specialist, Sr.

E-mail Address heather.riley@wpxenergy.com

Date: 11/27/13 Telephone No. (505) 333-1822

OIL CONSERVATION DIVISION

Approved Until 12-31-2013

By Charles Bern

Title SUPERVISOR DISTRICT # 3

Date NOV 30 2013

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

AV

WPX Energy is requesting an exception to the no-flare rule.

The subject well is a horizontal oil well which is approximately 10,000' from the nearest functional gas gathering connection. The estimated cost to install this gas gathering line is \$456,000.00. This well will be dedicated to Beeline and they are in the process of securing Right-of-Way through the BLM FFO and have not yet received authorization for their 299 application. In addition, the government shut down which was initiated 10/1/13 resulted in additional delays of the ROW authorization. Once authorization is received, it will take approximately two weeks for construction. Jim Lovato with the BLM FFO was contacted 10/31/13 concerning this and he gave verbal approval for an extension through the end of December, 2013.