

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)

A. Applicant: WPX Energy Production, LLC
whose address is: P.O. Box 640, Aztec, NM 87410,

RCVD OCT 2 '14
OIL CONS. DIV.
DIST. 3

hereby requests an exception to Rule 19.15.18.12 until 11/1/14, for the following described tank battery (or LACT):

Name of Lease: Chaco 2307-13L #175H API-30-039-31192 Name of Pool: Lybrook Gallup

Location of Battery: Unit Letter L Section 13 Township 23N Range 7W

Number of wells producing into battery 3

B. Based upon oil production of 80 barrels per day, the estimated volume
of gas to be flared is 375 MCF/D; Value: \$1500 per day.

C. Name and location of nearest gas gathering facility:

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

D. Distance BUILT Estimated cost of connection _____

E. This exception is requested for the following reasons: WPX Energy requests authorization to flare this well due to an expected spike in nitrogen content from frac activity. On or about 10/4/14 frac activity is expected to begin on the Chaco 2306-18M #240H, 2306-18M #256H, and 2306-18M #292H. This activity is expected to cease on 10/8/14. WPX is planning to flare on or around 10/10/14 until or prior to 11/1/2014. We should see pipeline quality gas by 11/1/14. A gas analysis conducted by a 3rd party will be submitted upon the acquisition of the results.

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 Mark Heil

Printed Name
& Title Mark Heil, Regulatory Specialist

E-mail Address mark.heil@wpxenergy.com

Date: 10/2/14 Telephone No. (505) 333-1806

OIL CONSERVATION DIVISION

Approved Until 11-2-2014

By Charles R. ...

Title SUPERVISOR DISTRICT # 3

Date OCT 02 2014

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