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, L.	L <u>C</u>
whose address is: P.O. Box 640, Aztec, NM 87410,	
hereby requests an exception to Rule 19.15.18.12 until $\underline{5/6/15}$, for the following described tank battery (or LACT):	
Name of Lease: CHACO 2308-06H #396	H API-30-045-35554 Name of Pool: Nageezi Gallup
Location of Battery: Unit Letter B Sec	etion 6 Township 23N Range 8W
Number of wells producing into battery2	
B. Based upon oil production of <u>240</u> barrels per	day, the estimated volume
of gas to be flared is 200 MCF/D; Value: \$5	60 per day. OHL CONS. DIV DIST. 3
C. Name and location of nearest gas gathering fa	acility: APR 0 7 2015
Williams, Sec 6, T23N, R08W	
D. DistanceBUILTEstimated cos	st of connection
E. This exception is requested for the following reasons: 2 nd Emergency Flare WPX Energy requests authorization to flare this well due to an expected spike in nitrogen content above acceptable Williams pipeline standards due to nearby frac activity on the CHACO 2308-04D #282H & CHACO 2308-04D #458H. As a result, WPX Energy is anticipating that the CHACO 2308-06H #396H may experience crossflow. If a crossflow event on the well results in nitrogen content above Williams pipeline standards, flaring may begin as soon as 4/6/15, given approval. The well would flare for up to 30 days. Pipeline quality gas should be obtained within 30 days. A gas sample will be collected upon the confirmation of crossflow and sent to a third party for a gas analysis. The results of the gas analysis will be submitted upon receipt.	
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	OIL CONSERVATION DIVISION Approved Until By
Printed Name	Title //
& TitleLacey Granillo, Permit Tech III	Date
E-mail Addresslacey.granillo@wpxenergy.com	
Date: 4/7/15 Telephone No. (505) 333-1816	1

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