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) OIL CONS. DIV DIST. 3 WPX Energy Production, LLC A. Applicant: JUN 09 2015 P.O. Box 640, Aztec, NM 87410, whose address is: hereby requests an exception to Rule 19.15.18.12 until 7/15/15, for the following described tank battery (or LACT): Name of Lease: NE CHACO COM #203H API-30-039-31244 Name of Pool: Chaco Unit NE HZ (Oil) Location of Battery: Unit Letter I Section 13 Township 23N Range 7W Number of wells producing into battery 3 B. Based upon oil production of 67 barrels per day, the estimated volume of gas to be flared is 1100 MCF/D; Value: \$3113 per day. C. Name and location of nearest gas gathering facility: Chaco Trunk 4-2 CDP, Sec 12, T23N, R07W Distance BUILT Estimated cost of connection D. This exception is requested for the following reasons: 1st Emergency Flare Extension WPX Energy requests authorization to flare the NE Chaco Com #203H due to a potential crossflow event as a result of nearby frac activity on NE CHACO COM #209H, NE CHACO COM #210H, NE CHACO COM #243H, NE CHACO COM #244H, NE CHACO COM #271H. If a crossflow event on the well results in nitrogen content above Williams pipeline standards, flaring may begin as soon as 6/15/15, 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. OIL CONSERVATION DIVISION **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. Approved Until Signature Printed Name Title SUPERVISOR DISTRICT #3 & Title Lacey Granillo Permit Tech III JUN 1 5 2015 Date E-mail Address lacey.granillo@wpxenergy.com

Date: 6/**3**/15

Telephone No. (505) 333-1816

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