

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)

OIL CONS. DIV DIST. 3

A. Applicant: WPX Energy Production, LLC

SEP 27 2016

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

hereby requests an exception to Rule 19.15.18.12 until 11/5/16 for the following described tank battery
(or LACT):

Name of Lease: KWU # 771H API-30-045-35756 Name of Pool: BASIN MANCOS

Location of Battery: Unit Letter P Section 17 Township 23N Range 7W

Number of wells producing into battery 1

B. Based upon oil production of 653 barrels per day, the estimated volume

of gas to be flared is 421 MCF/D; Value: \$1271 per day.

C. Name and location of nearest gas gathering facility:

Williams at Turtle Mountain, Sec 9, T23N, R08W

D. Distance Pending Estimated cost of connection Pending

EMERGENCY FLARE EXTENSION

E. WPX Energy requests authorization to flare this well for an additional 30 days. The nitrogen content is approximately 32% (see attached gas measurement report).

At this current nitrogen content level, the Williams system is not able to take this additional volume to their system.

The approval for gas pipeline is currently being permitted by the BLM FFO by a series of APD's.

WPX is testing the commerciality of this well and respectfully requests additional time to further evaluate this well.

WPX will continue to explore options to eliminate flaring.

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 [Signature]

Printed Name

& Title: LACEY GRANILLO- PERMIT TECH III

E-mail Address: lacey.granillo@wpxenergy.com

Date: 9/27/16

Telephone No. (505) 333-1816

OIL CONSERVATION DIVISION

Approved Until 10-27-2016

By [Signature]

Title SUPERVISOR DISTRICT #3

Date 9-27-16

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