

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

OIL CONS. DIV DIST. 3

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

DEC 15 2014

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

Name of Lease: NE CHACO COM #179H API-30-039-31190 Name of Pool: Chaco Unit NE HZ (Oil) (330')

Location of Battery: Unit Letter L Section 06 Township 23N Range 6W

Number of wells producing into battery 3

B. Based upon oil production of 110 barrels per day, the estimated volume of gas to be flared is 850 MCF/D; Value: \$3230 per day.

C. Name and location of nearest gas gathering facility:

Beeline Gas Systems, Sec 12, T23N, R07W

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 a spike in nitrogen content above acceptable Beeline Gas Systems standards due to nearby frac activity on the NE CHACO COM #176H and NE CHACO COM #177H. Nitrogen was measured at 49%. Flaring may begin as soon as approval is given. The well would flare for up to 30 days. Pipeline quality gas should be obtained within 30 days. A gas sample has been collected by a third party and is included as an attachment.

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: 12/15/14 Telephone No. (505) 333-1806

OIL CONSERVATION DIVISION

Approved Until 1-15-2015

By Charles Lee

Title SUPERVISOR DISTRICT #3

Date DEC 15 2014

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



2030 Afton Place
 Farmington, NM 87401
 (505) 325-6622

Analysis No: WP140445
 Cust No: 85500-11605

Well/Lease Information

Customer Name: WPX ENERGY PRODUCTION, LLC
 Well Name: NE CHACO COM 179H
 County/State:
 Location:
 Field:
 Formation:
 Cust. Stn. No.: 62367179

Source:
 Pressure: 366 PSIG
 Sample Temp: 57 DEG. F
 Well Flowing:
 Date Sampled: 12/11/2014
 Sampled By:
 Foreman/Engr.:

Remarks:

Analysis

| Component:: | Mole%: | **GPM: | *BTU: | *SP Gravity: |
|--------------|----------------|----------------|---------------|---------------|
| Nitrogen | 48.723 | 5.3690 | 0.00 | 0.4713 |
| CO2 | 0.231 | 0.0390 | 0.00 | 0.0035 |
| Methane | 35.536 | 6.0340 | 358.92 | 0.1968 |
| Ethane | 7.531 | 2.0170 | 133.28 | 0.0782 |
| Propane | 5.077 | 1.4010 | 127.74 | 0.0773 |
| Iso-Butane | 0.618 | 0.2030 | 20.10 | 0.0124 |
| N-Butane | 1.517 | 0.4790 | 49.49 | 0.0304 |
| I-Pentane | 0.321 | 0.1180 | 12.84 | 0.0080 |
| N-Pentane | 0.278 | 0.1010 | 11.14 | 0.0069 |
| Hexane Plus | 0.167 | 0.0750 | 8.80 | 0.0055 |
| Total | 100.000 | 15.8360 | 722.31 | 0.8904 |

* @ 14.730 PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY

**@ 14.730 PSIA & 60 DEG. F.

COMPRESSIBILITY FACTOR (1/Z): 1.0019
 BTU/CU.FT (DRY) CORRECTED FOR (1/Z): 725.4
 BTU/CU.FT (WET) CORRECTED FOR (1/Z): 712.8
 REAL SPECIFIC GRAVITY: 0.8917

GPM, BTU, and SPG calculations as shown above are based on current GPA factors.

DRY BTU @ 14.650: 721.5
 DRY BTU @ 14.696: 723.7
 DRY BTU @ 14.730: 725.4
 DRY BTU @ 15.025: 739.9

CYLINDER #: 5
 CYLINDER PRESSURE: 331 PSIG
 DATE RUN: 12/12/14 1:40 PM
 ANALYSIS RUN BY: DAWN BLASSINGAME



WPX ENERGY PRODUCTION, LLC
WELL ANALYSIS COMPARISON

Lease: NE CHACO COM 179H
Stn. No.: 62367179
Mtr. No.:

12/15/2014
85500-11605

Smpl Date: 12/11/2014
Test Date: 12/12/2014
Run No: WP140445
Nitrogen: 48.723
CO2: 0.231
Methane: 35.536
Ethane: 7.531
Propane: 5.077
I-Butane: 0.618
N-Butane: 1.517
I-Pentane: 0.321
N-Pentane: 0.278
Hexane+: 0.167
BTU: 725.4
GPM: 15.8360
SPG: 0.8917