

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,**

hereby requests an exception to Rule 19.15.18.12 until 1/30/14, for the following described tank battery (or LACT):

Name of Lease: **NE CHACO COM #239H API-30-039-31204** 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 **100** barrels per day, the estimated volume of gas to be flared is **215 MCF/D**; Value: **\$860** 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 high nitrogen content above acceptable Beeline Gas Systems standards due to nearby frac activity on the NE CHACO COM #176H, and NE CHACO COM #177H that occurred on 12/1/14. As a result, the NE CHACO COM #239H is experiencing crossflow. WPX has approval to flare this well until 12/31/14, but expect that the well will not be cleaned out by that time. The well could flare for up to 30 additional days of the current flare extension deadline if given approval. Pipeline quality gas should be obtained within 30 days of approval. A gas sample is being collected 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 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 1-31-2015

By Charles

Title SUPERVISOR DISTRICT #3

Date DEC 26 2014

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