<u>District I</u> 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

Revised August 1, 2011

Submit one copy to appropriate District Office

NFO Permit No.

(For Division Use Only)

Form C-129

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 Ener	gy Production, L	<u>LC</u>			
	whose addres	ss is: P.O.]	Box 640, Aztec, N	M 87410,			
(or LA		sts an excepti	on to Rule 19.15.1	8.12 until <u>7/30/15</u> ,	for the followi	ing described tank battery	
	Name of Lease: NE Chaco Com #198H API-30-039-31268 Name of Pool: Chaco Unit NE HZ						
	Location of Battery: Unit Letter <u>E</u> Section <u>8</u> Township <u>23N</u> Range <u>6W</u>						
	Number of wells producing into battery4						
В.	Based upon oil production of $\underline{130}$ barrels per day, the estimated volume						
	of gas to be flared is 2300 MCF/D; Value: \$6394 per day.					OIL CONS. DIV DIST. 3	
C.	Name and location of nearest gas gathering facility: JUN 24 2015						
	WPX 3-2 CDP ties to Williams, Sec 8, T23N, R6W						
D.	DistanceBUILTEstimated cost of connection						
E.	This exception is requested for the following reasons: 1st Emergency Flare						
WPX Energy requests authorization to flare the NE Chaco Com #198H if a potential cross flow event may occur as a result of a nearby Frac activity on the NE Chaco Com # 254H, 255H, 264H, & 265H . If a cross flow event on the well results in nitrogen content above Williams pipeline standards, flaring may begin as soon as 6/30/15 for 30 days , given approval. A gas sample will be collected upon the confirmation of the cross flow and sent to a third party for results of the gas analysis. The gas analysis will submitted upon receipt.							
OPERATOR I hereby certify that the rules and regulations of the Oil Conservation				OIL CONSERVA	TION DIVISION	N	
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 _	7-30-15		
Signature Wall Grand Wall				By Charle Lerun			
Printed Name & Title: Marie E. Jaramillo, Permit Tech III				Title SUPERVI	SOR DISTE	RICT #3	
E-mail Address: mariejaramillo@wpxenergy.com				Date JUN 26	2015		
Date: (171	Telepho	one No. (505)	333-1808				
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Gas-Oil ratio test may be required to verify estimated gas volume.