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)

(See Faire 17:15:16:12 Tablife	and rate 17.13.7.13.7 Hiving)
A. Applicant: <u>WPX Energy Production, L</u>	<u>LC</u>
whose address is: P.O. Box 640, Aztec, N	<u>M 87410,</u>
hereby requests an exception to Rule 19.15.18.12 until $\underline{11/12/15}$ , for the following described tank battery (or LACT):	
Name of Lease: NE CHACO COM #169H AF	PI-30-039-31211 Name of Pool: Chaco Unit NE HZ (Oil) (330')
Location of Battery: Unit Letter <u>E</u>	Section 12 Township 23N Range 7W
Number of wells producing into battery2	
B. Based upon oil production of <u>75</u> barrels per o	
of gas to be flared is 700 MCF/D; Value: \$1	
C. Name and location of nearest gas gathering f	acility: OCT 07 2015
Beeline Gas Systems, Sec 12, T23N, R07W	
D. DistanceBUILTEstimated cost of connection	
E. This exception is requested for the following reasons: 1st EMERGENCY FLARE	
WPX Energy requests authorization to flare the <u>NE CHACO COM #169H</u> if a potential cross flow event may occur as a result of a nearby Frac activity on the <b>NE CHACO COM #903H</b> . If a cross flow event on the well results in nitrogen content above Beeline pipeline standards, flaring may begin as soon as <b>10/12/15 for 30 days</b> , 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  Division have been complied with and that the information given above	OIL CONSERVATION DIVISION
is true and complete to the best of my knowledge and belief.  Signature	By Charle Hen
& TitleLacey Granillo Permit Tech III	Title SUPERVISOR DISTRICT #3
E-mail Addresslacey.granillo@wpxenergy.com	Date OCT 0 8 2015

Telephone No. (505) 333-1816

Date: 10/6/15

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