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

No.

MAR 0 7 20.1

NFO Permit

(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 874	10,

hereby requests an exception to Rule 19.15.18.12 until 4/12/17, for the following described tank battery (or LACT):

Name of Lease: Chaco 2308 06I #397H API-30-045-35639 Name of Pool: Nageezi Gallup

Location of Battery: Unit Letter I _____ Section <u>06</u> Township <u>23N</u> Range <u>8W</u>

Number of wells producing into battery ___1____

B. Based upon oil production of <u>155</u> barrels per day, the estimated volume

of gas to be flared is 69 MCF/D; Value: \$198 per day.

C. Name and location of nearest gas gathering facility:

Beeline, Sec 16, T23N, R08W

D. Distance ____BUILT ____Estimated cost of connection _____

EMERGENCY FLARE EXTENSION

E. WPX Energy requests authorization to flare the <u>Chaco 2308 06I #397H</u> if a potential cross flow event may occur as a result of a nearby Frac activity on **W Lybrook 703H/704H/711H/713H/743H/744H**. If a cross flow event on the well results in nitrogen content above Williams pipeline standards, flaring may begin as soon as **3/12/17 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 be submitted upon receipt.

OPERATOR	OIL CONSERVATION DIVISION
I hereby certify that the rules and regulations of the Oil Conservation	11 12 2 15
Division have been complied with and that the information given above	Approved Until 4-12-2017
is true and complete to the best of my knowledge and belief.	
Signature	By Chark Hern
Printed Name	
& Title:LACEY GRANILLO- PERMIT TECH III	Title SUPERVISOR DISTRICT #3
E-mail Address: lacey.granillo@wpxenergy.com	Date 3-12-17
Date:3/6/17 Telephone No. (505) 333-1816	

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