

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 3/27/18, for the following described tank battery (or LACT):

Name of Lease: STATE 2207 36D #193H API- 30-043-21308 Name of Pool: WC 22N7W36; GALLUP (O)

Location of Battery: Unit Letter D Section 36 Township 22N Range 7W

Number of wells producing into battery 1

B. Based upon oil production of 50 barrels per day, the estimated volume of gas to be flared is 10 MCF/D; Value: \$28 per day.

C. Name and location of nearest gas gathering facility:

Williams Trunk T Line, Sec 21, T22N, R07W

D. Distance Pending Estimated cost of connection Pending

E. This exception is requested for the following reasons: **Flare Extension**

WPX Energy requests authorization to flare this well for an additional 30 days. Original expiration is 2/27/18.

WPX continues to actively evaluate alternative options to reduce flaring on location and increase operational efficiencies.

- WPX operations continues to decrease the amount of gas that is flared but increasing lease use gas.
- WPX has a 98% efficient Combustor that WPX leases on site- no visible flare.
- WPX has researched the different types of catalyst through CPI with no success. The brand Crimson has the most efficient catalyst in it.
- WPX is still evaluating the production trend.

Pipeline update: WPX is continuing to meet with BLM staff weekly to ensure the approval process for this pipeline is progressing and will continue to keep the division updated. Expected approval for the section of pipeline without Bracks is mid-March 2018. Construction activity can begin as soon approval is received.

Date of first production/flare: 1st Delivered on September 1, 2017, 1st Drill Out on August 28, 2017.

Total flare to date (171 days): 6816 mcf

Total lease use: 7578 mcf

Total oil produced: 17,013 bbl

Total gas produced: 14,394 mcf

OIL CONS. DIV DIST. 3
FEB 20 2018

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 _____

Printed Name

& Title Lacey Granillo, Permit Tech III

E-mail Address lacey.granillo@wpxenergy.com

Date: 2/20/18 Telephone No. (505) 333-1816

OIL CONSERVATION DIVISION

Approved Until 3-27-2018

By _____

Title SUPERVISOR DISTRICT #3

Date 2-20-18

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

AV