

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

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 Murchison Oil and Gas, LLC

whose address is 7250 Dallas Parkway, Ste. 1400, Plano, TX 75024

hereby requests an exception to Rule 19.15.18.12 for 90 days beginning 09/18/2020 or until

December 17, 2020 for the following described tank battery (or LACT):

Name of Lease Ogden State 8H (30-015-40793) Name of Pool Black River; Delaware, South

Location of Battery: Unit Letter A Section 2 Township 25S Range 26E

Number of wells producing into battery 3

B. Based upon oil production of 13 barrels per day, the estimated * volume
of gas to be flared is 59 MCF; Value \$30 per day.

C. Name and location of nearest gas gathering facility:

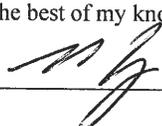
DCP Black River Booster Station located 2 miles northeast of subject well

D. Distance 2 miles Estimated cost of connection \$2,500,000

E. This exception is requested for the following reasons: No economic gas pipeline connection has been discovered which will handle the H2S content. We are continuing to look for a gas sales option. In the mean time, we need to flare gas production to maintain the oil production.

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 Gary R. Cooper, Vice President Operations

E-mail Address rcooper@jdmii.com

Date 09/01/2020 Telephone No. 972-931-0700

OIL CONSERVATION DIVISION

Approved Until 12/17/2020

By 

Title BUSINESS OP. SPEC.

Date 9/10/2020

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