

Submit one copy to appropriate
District Office

HOBBS OIL Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

OCT 03 2013

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 & Gas, Inc.,
whose address is 1100 Mira Vista Blvd., Plano, TX 75093,
hereby requests an exception to Rule 19.15.18.12 for 120 days or until
, for the following described tank battery (or LACT):
Name of Lease Caprock Fee #1 (30-025-39248) Name of Pool Hightower; Permo Penn
Location of Battery: Unit Letter M Section 26 Township 12S Range 33E
Number of wells producing into battery 1
- B. Based upon oil production of 6 barrels per day, the estimated * volume
of gas to be flared is 30 MCF; Value \$192 per day.
- C. Name and location of nearest gas gathering facility:
Versado Saunders Plant, Lea County
- D. Distance _____ Estimated cost of connection _____
- E. This exception is requested for the following reasons: Mechanical failure and fire at Saunders Plant
on September 5, 2013. Plant shut down for repairs until mid December 2013.

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 Michael J. Madhock

Printed Name
& Title Michael S. Daugherty, EVP & COO

Email Address mdaugherty@jdmii.com

Date 10/01/2013 Telephone No. 972-931-0700

OIL CONSERVATION DIVISION

Approved Until 12-30-2013

By Edison

Title DINNER

Date 10-3-2013

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

OCT 03 2013



Certified Article Number

7196 900A 9040 2033 1512

SENDER'S RECORD

VIA CERTIFIED MAIL

HOBBS OCD

October 1, 2013

OCT 03 2013

State of New Mexico
Oil Conservation Division – District I
1625 N. French Drive
Hobbs, NM 88240

RECEIVED

**RE: CAPROCK FEE #1 (API #30-025-39248)
HIGHTOWER STATE UNIT #2 (API #30-025-38605)
LEA COUNTY, NM**

To Whom It May Concern:

Enclosed please find the following for each of the referenced wells:

- 1) Form C-129

If you have any questions or need additional information, please contact me at ccottrell@jdmii.com or 972-931-0700 ext. 109.

Best Regards,

Cindy Cottrell
Regulatory Coordinator

Enclosures