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

HOBBS O(2) Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

Submit one copy to appropriate District Office

Form C-129

Revised August 1, 2011

OCT 03 2013

NFO Permit No. ______(For Division Use Only)

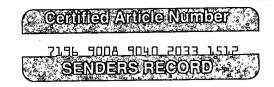
APPLICATION FOR EXCEPTION TO NO-FLARE RULE 19.15.18.12

(See Rule 19.15.18.12 NMAC and Rule 19.15.7.37 NMAC) Applicant Murchison Oil & Gas, Inc. A. 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 128 Range 33E Number of wells producing into battery ____1 Based upon oil production of _____6 ____ barrels per day, the estimated * volume B. 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	OIL CONSERVATION DIVISION
I hereby certify that the rules and regulations of the Oil Conservation	012 00.102KV.1110.1010[V
Division have been complied with and that the information given above	17 70 70/3
is true and complete to the best of my knowledge and belief.	Approved Until 12-30-2013
is true and completely inguest of thy knowledge and denot.	
a. While Ill all thinks	
Signature ////////////////////////////////////	
' ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' '	By Comment
Printed Name	
y	Title Do TINGS
& Title Michael S. Daugherty, EVP &COO	
	10-7 700
Email Address mdaugherty@jdmii.com	Date 10-3-2013
D-4- 10/01/2012 T-11 N- 072 021 0700	
Date 10/01/2013 Telephone No. 972-931-0700	

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





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