<u>District I</u> 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

A.

1220 S. St. Francis Dr., Santa Fe, NM 87505

Applicant Murchison Oil & Gas, Inc.

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)

whose address is 7250 Dallas Parkway, Ste. 1400, Plano, TX 75024,		
	hereby requests an exception to Rule 19.15.1	8.12 for <u>120</u> days or until
	, Yr, for the following described tank battery (or LACT):	
	Name of Lease Jackson Unit 11H (30-025-4	Name of Pool Triple X; Bone Spring, West
	Location of Battery: Unit Letter <u>B</u> S	ection <u>16</u> Township <u>24S</u> Range <u>33E</u>
	Number of wells producing into battery	1
В.	Based upon oil production of40	barrels per day, the estimated * volume
	of gas to be flared is	MCF; Value \$350 per day.
C.	Name and location of nearest gas gathering facility:	
	Frac Cat Compressor Station, Lea County, N	<u>M</u>
D.	DistanceEstimated cost of connection	
E. This exception is requested for the following reasons: <u>Intermittent curtailment by Agave due to</u> compressor maintenance. Well shut in at this time may damage formation and reduce future production.		
compressor mannenance. Wen shut in at this time may damage formation and reduce future production.		
OPERATOR I hereby certify that the rules and regulations of the Oil Conservation		OIL CONSERVATION DIVISION
Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.		Approved Until 12/9/2015
Signature		ByMaser Brown
Printed Name		Title District Supervisor
& Title <u>Gary Cooper, Vice President Operations</u>		Date 9/14/2015
Email Address rcooper@jdmii.com		Date
Date 09/09/2015 Telephone No. 972-931-0700		
Gas-Oil ratio test may be required to verify estimated gas volume.		