<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 District II

State of New Mexico
HOBBS Minerals and Natural Resources

Form C-129 Revised August 1, 2011

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 SEP 28 2016

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

Submit one copy to appropriate District Office

RECEIVED

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 7250 Dallas Parkway, Ste. 1400, Plano, TX 75024,		
		hereby requests an exception to Rule 19.15.18.12 for days or until,		
		, Yr _2017, for the following described tank battery (or LACT):		
		Name of Lease MOGI 9 State Com 2H (30-025-40976) Name of Pool Triple X; Bone Spring, West		
		Location of Battery: Unit Letter O Section 9 Township 24S Range 33E		
		Number of wells producing into battery2		
	B.	Based upon oil production of62	barrels per day, the estimated * volume	
		of gas to be flared isMCF;	Valueper 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.		reasons: Intermittent curtailment by Agave due to time may damage formation and reduce future production.	
OPERATOR I hereby certify that the rules and regulations of the Oil Conservation			OIL CONSERVATION DIVISION	
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. Approved Until				
Signature			Majey Stown	
Printed Name			Title	
& TitleGary Cooper, Vice President Operations Email Addressrcooper@jdmii.com			Date 9/29/2016	
Date 9/23/16 Telephone No. 972-931-0700			•	
Gos Oil ratio test may be required to verify estimated ass volume				

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