District I State of New Mexico Form C-129 District II No BBS OGD Minerals and Natural Resources Form C-129 811 S. First St., Artesia, NM 88210 HOBBS Oil Conservation Division State of New Mexico District III 0100 Rio Brazos Road, Aztec, NM 87410 JAN 06 2017 Oil Conservation Division Submit one copy to appropriate District Office District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 NFO Permit No. RECEIVED NFO Permit No. (For Division Use Only) APPLICATION FOR EXCEPTION TO NO-FLARE RULE 19.15.18.12 (For Division Use Only) (See Rule 19.15.18.12 NMAC and Rule 19.15.7.37 NMAC) (For Division Use Only)	
A. Applicant <u>Murchison Oil & Gas, Inc.</u>	,
whose address is7250 Dallas Parkway, Ste. 1400, Plano, TX 75024,	
hereby requests an exception to Rule 19.15.18.12 for days or until <u>April 7</u> ,	
, Yr 2017 , for the following described tank battery (or LACT):	
Name of Lease Jackson Unit 23H (30-025-41229) Name of Pool Triple X; Bone Spring, West	
Location of Battery: Unit Letter <u>N</u> Section <u>22</u> Township <u>24S</u> Range <u>33E</u>	
Number of wells producing into battery1	
B. Based upon oil production of <u>54</u>	barrels per day, the estimated * volume
of gas to be flared is <u>63</u> MCF	; Value <u>\$63</u> per day.
C. Name and location of nearest gas gathering facility:	
Frac Cat Compressor Station, Lea County, NM	
D. DistanceEstimated cost of connection	
E. This exception is requested for the following reasons: <u>Intermittent curtailment by Agave due to</u> <u>compressor maintenance</u> . Well 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 Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.	OIL CONSERVATION DIVISION Approved Until 4/1/2017
Signature	By Makeys Brown
Printed Name & Title Gary Cooper, Vice President Operations	Title $\frac{AO}{IL}$
Email Address_ <u>rcooper@jdmii.com</u>	Date1/17/2017
Date 12/19/16 Telephone No. 972-931-0700	

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