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

HOBBS OCID State of New Mexico Energy Minerals and Natural Resources

Oil Conservation Division DEC 0 3 2015 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 VNo.

(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.	A. Applicant Murchison Oil & Gas, Inc.	
	whose address is7250 Dallas Parkway, Ste. 1400, Plano, TX 75024,	
	hereby requests an exception to Rule 19.15.1	8.12 for 90 days or until _March 9,
	, Yr2016, for the following	described tank battery (or LACT):
	Name of Lease Jackson Unit 20H (30-025-41139) Name of Pool Triple X; Bone Spring, West	
	Location of Battery: Unit Letter O	ection 21 Township 24S Range 33E
	Number of wells producing into battery	2
В.	Based upon oil production ofbarrels per day, the estimated * volume	
	of gas to be flared is 90 MCF	; Valueper day.
C.	Name and location of nearest gas gathering facility:	
	Frac Cat Compressor Station, Lea County, N	<u>M</u>
D.	DistanceEst	imated cost of connection
E.	This exception is requested for the following reasons: <u>Intermittent curtailment by Agave due to compressor maintenance</u> . Well shut in at this time may damage formation and reduce future production.	
OPERATOR		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 3/1/2016
Signature		By Majeys Brown
Printed Name		Title
& Title <u>Gary Cooper, Vice President Operations</u>		, ,
Email Addressrcooper@jdmii.com		Date 12/9/2015
Date 12/01/15 Telephone No. 972-931-0700		
Gas-Oil ratio test may be required to verify estimated gas volume.		