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 HC Energy Minerals and Natural Resources

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

HOBBS OCD

Form C-129 Revised August 1, 2011

DEC 0 3 2015 Submit one copy to appropriate District Office

NFO Permit CNOED

(For Division Use Only)

APPLICATION FOR E	EXCEPTION TO 1	<b>NO-FLARE</b>	RULE	19.15.18.12
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(See Rule 19.15.18.12 NMAC and Rule 19.15.7.37 NMAC)

A. Applicant <u>Murchison Oil &amp; Gas, Inc.</u>	Applicant Murchison Oil & Gas, Inc.		
whose address is7250 Dallas Parkwa	v, Ste. 1400, Plano, TX 75024,		
hereby requests an exception to Rule 19.1	hereby requests an exception to Rule 19.15.18.12 for days or until March 9,		
, Yr <u>2016</u> , for the follow	, Yr 2016 , for the following described tank battery (or LACT):		
Name of Lease Bettis 20 State Com 5H (	Name of Lease Bettis 20 State Com 5H (30-025-41439) Name of Pool Triple X; Bone Spring, West		
Location of Battery: Unit Letter M	Location of Battery: Unit Letter <u>M</u> Section <u>20</u> Township <u>24S</u> Range <u>33E</u>		
Number of wells producing into battery _	1		
B. Based upon oil production of <u>85</u>	Based upon oil production of85barrels per day, the estimated * volume		
of gas to be flared is <u>75</u> M	of gas to be flared is75MCF; Value\$150per day.		
C. Name and location of nearest gas gatherin	Name and location of nearest gas gathering facility:		
Frac Cat Compressor Station, Lea County	Frac Cat Compressor Station, Lea County, NM		
D. Distance	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			
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 abo	ve Approved Until 3/1/2016		
is true and complete to the best of my knowledge and belief.	Mad 20 Ray - A		
Signature	- By		
Printed Name	Title		
& Title <u>Gary Cooper, Vice President Operations</u>	17/		
Email Address rcooper@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.			

DEC 1 1 2015