<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

State of New Mexico Energy Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

NFO Permit No.

Form C-129 Revised August 1, 2011

Submit one copy to appropriate District Office

(For Division Use Only)

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SEP 28 2016

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 is7250 Dallas Parkway, Ste. 1400, Plano, TX 75024,		
	hereby requests an exception to Rule 19.15.1	8.12 for days or until <u>January 7</u> ,	
	, Yr <u>2017</u> , for the following described tank battery (or LACT):		
	Name of Lease MOGI 9 State Com 11H (30-025-41787) Name of Pool Triple X; Bone Spring, West		
	Location of Battery: Unit Letter P Section 9 Township 24S Range 33E		
	Number of wells producing into battery1		
B.	Based upon oil production ofbarrels per day, the estimated * volume		
	of gas to be flared is128	MCF; 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.	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.		
	compressor maintenance. 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		Approved Until 1/7/2017	
is true and complete to the best of my knowledge and benef.		Al 1 0 1 P	
Signature		By Maky Brown	
Printed Name & Title Gary Cooper, Vice President Operations		Title	
Email Address rcooper@jdmii.com		Date 9/29/2016	
Date 9/23/20	016 Telephone No. 972-931-0700		
	1 1 1 10 1		

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