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

State of New Mexico Energy Minerals and Natural Resources

Form C-129 Revised August 1, 2011

HOBBS OCIDEO South St. Francis Dr. Santa Fe, NM 87505

Submit one copy to appropriate District Office

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

SEP 28 2016

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 is7250 Dallas Parkway, Ste. 1400, Plano, TX 75024,	
	hereby requests an exception to Rule 19.15.18.12 for days or until <u>January 7</u> ,	
	, Yr <u>2017</u> , for the following described tank battery (or LACT):	
	Name of Lease <u>Jackson Unit 33H (30-025-42076)</u> Name of Pool <u>Triple X</u> ; <u>Bone Spring</u> , <u>West</u>	
	Location of Battery: Unit Letter <u>B</u> Section <u>16</u> Township <u>24S</u> Range <u>33E</u>	
	Number of wells producing into battery1	
В.	Based upon oil production ofbarrels per day, the estimated * volume	
	of gas to be flared is 64 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.	
		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. App		Approved Until 1/7/2017
Signature		Mad 24R.
Printed Name		By Majery Down
& TitleGary Cooper, Vice President Operations		Title
Email Address rcooper@jdmii.com		Date 9/29/2016
Date 9/23/16 Telephone No. 972-931-0700		

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