<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u>

State of New Mexico Energy Minerals and Natural Resources

Form C-129 Revised August 1, 2011

Revised August 1, 2011

District III 1000 Rio Brazos Road, Aztec, NM 87410

HOBBS OCD 220 South St. Francis Dr. Santa Fe, NM 87505

Submit one copy to appropriate District Office

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 JAN 06 2017

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 April 7,		
	, Yr <u>2017</u> , for the following described tank battery (or LACT):		
	Name of Lease <u>Jackson Unit 18H (30-025-40974)</u> Name of Pool <u>Triple X</u> ; <u>Bone Spring</u>		
	Location of Battery: Unit Letter M	Section 21 Township 24S Range 33E	
	Number of wells producing into battery1		
B.	Based upon oil production of	barrels per day, the estimated * volume	
	of gas to be flared isN	ACF; 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</u> compressor maintenance. Well shut in at this time may damage formation and reduce future production.		
	compressor maintenance. Wen 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.		Approved Until 4/7/2017	
Signature		By Madewal Brown	
Printed Name		Title AO II	
& Title <u>Gary Cooper, Vice President Operations</u> Email Address <u>rcooper@jdmii.com</u>		Date 1/17/2017	
Date 12/19/16 Telephone No. 972-931-0700			
* C- O'l - d'- d-			

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