<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

HOBBEnergy State of New Mexico Winerals and Natural Resources

JAN 06 2017220 South St. Francis Dr. Santa Fe, NM 87505

Form C-129 Revised August 1, 2011

Submit one copy to appropriate District Office

RECEIVED

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 MOGI 9 State Com 10H (30-025-41973) Name of Pool Triple X; Bone Spring, West	
Location of Battery: Unit Letter O 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 isMCF; Value\$73per day.	
C. Name and location of nearest gas gathering facility:	
Frac Cat Compressor Station, Lea County, NM	
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	
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	15
Signature By Wales Alexander	
Printed Name & Title Gary Cooper, Vice President Operations Title	
Email Address rcooper@jdmii.com Date 1/17/2017	-
Date 12/19/16 Telephone No. 972-931-0700	

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