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
Minerals and Natural Resources

Artesia, NM 88210

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

NFO Permit

No.

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 19.15.18.12

Form C-129 Revised August 1, 2011

Submit one copy to appropriate District Office

(For Division Use Only)

(See Rule 19.15.18.12 NMAC and Rule 19.15.7.37 NMAC)

A.	ApplicantMurchison 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>July 7</u> ,	
	, Yr <u>2017</u> , for the following described tank battery (or LACT):	
	Name of Lease <u>Jackson Unit 19H (30-025-41138)</u> Name of Pool <u>Triple X</u> ; <u>Bone Spring</u> , <u>West</u>	
	Location of Battery: Unit Letter N S	dection 21 Township 24S Range 33E
	Number of wells producing into battery	
B.	Based upon oil production of68	barrels per day, the estimated * volume
	of gas to be flared is88MCF	; Valueper day.
C.	Name and location of nearest gas gathering facility:	
	Frac Cat Compressor Station, Lea County, N	<u>M</u>
D.	DistanceEst	cimated cost of connection
E.	This exception is requested for the following reasons: <u>Intermittent curtailment by Lucid 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 6/20/2017
Signature		By Mafys Brown
Printed Name & Title Gary Cooper, Vice President Operations		Title AO/II
Email Address rcooper@jdmii.com		Date 3/22/2017
Date 03/20/17 Telephone No. 972-931-0700		
Gas. Oil ratio test may be required to verify estimated gas volume		

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