<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

HOBBS Officer State of New Mexico Minerals and Natural Resources
Oil Conservation Decided to the State of New Mexico
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Oil Conservation Decided to the State of New Mexico APPLICATION FOR EXCEPTION TO NO-FLARE RULE 19.15.18.12 1220 S. St. Francis Dr., Santa Fe, NM 87505

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.	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 July 7,	
	, Yr <u>2017</u> , for the following described tank battery (or LACT):	
	Name of Lease <u>Jackson Unit 23H (30-025-41229)</u> Name of Pool <u>Triple X; Bone Spring, West</u>	
	Location of Battery: Unit Letter N_S	ection <u>22</u> Township <u>24S</u> Range <u>33E</u> /
	Number of wells producing into battery1	
В.	Based upon oil production of <u>58</u>	barrels per day, the estimated * volume
	of gas to be flared is53MCF	; 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 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		Approved Until $\frac{6/20/20/7}{}$
is true and complete to the best of my knowledge and belief.		Approved Until Legacijacij
Signature		By Majeys 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		, ,
* Cas Oil ratio test may be required to verify estimated gas volume		

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