District III	UCT 1 9 2013 1220 South	vation Division St. Francis Dr. NM 87505	Submit one copy to appropr District Of
District IV	ncis Dr., Santa Fe, NM 87505 RECEIVED	,	No
E	APPLICATION FOR EXCEPTION T (See Rule 19.15.18.12 NMAC and		
			с
Α.	Applicant <u>Murchison Oil & Gas, Inc.</u>		,
	whose address is 7250 Dallas Parkway, Ste. 1400 Plano, TX 75024,		
	hereby requests an exception to Rule 19.15.18.12 described tank battery (or LACT):	2 for <u>120</u> days from _	for the following
	Name of Lease Vandiver Fee 1H (30-015-40589) Name of Pool Empire; Glorieta-Yeso		
	Location of Battery: Unit Letter <u>E</u> Secti	on <u>17</u> Township	<u> 185</u> Range <u>26E</u>
	Number of wells producing into battery1		
B.	Based upon oil production of44barrels per day, the estimated * volume		
	of gas to be flared isMCF; Value\$175per day.		
C.	Name and location of nearest gas gathering facility:		
	Agave Dagger Draw System		
D.	DistanceEstimated co	st of connection	
Е.	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 product		
	<u></u>	<u></u>	<u></u>
OPERATOR 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.		DIL CONSERVATION	DIVISION
		Approved Until	J105 85 A
Signature	Mh	2h	\sim
Printed Na		3y NOW	S Mixe
& Title <u>Gary Cooper, Vice President Operations</u>		Title 1ST OL OUGRWOOD	
Email Add	ress <u>rcooper@jdmii.com</u>	Date 10 20 20	15
Date 10/	2/2015 Telephone No. 972-931-0700		
Gas-Oil ra	tio test may be required to verify estimated gas volu	ume.	

NEW MEXICO OIL CONSERVATION DIVISION DISTRICT 2 OFFICE 811 SOUTH FIRST STREET ARTESIA, NM 88210 (575)748-1283

CONDITIONS OF APPROVAL for FLARING or VENTING GAS

- 1. Venting gas is absolutely not allowed.
- 2. Prior to flaring gas, C-129 must be filed & approved. Blanket approval cannot be given for this operation.
- 3. Flared volumes of gas are to be metered & reported.
- 4. Flares WILL be manned at all times. Brush should be cut down to 1 or 2 inches around flare stack at least a radial distance of 2 times the height of the flare stack.
- 5. Flares WILL NOT be left unattended.
- 6. No flaring operations to be conducted during red-flag days. <u>http://www.gacc.nifc.gov/swcc</u> (go to "Predictive Services" on SWCC website) to check for red flag warnings.
- 7. Follow safe practices for flaring guidelines.
- 8. Permit may be rescinded at any time by NMOCD.
- 9. If well is able to be connected to a gas gathering system, it will be done so as soon as possible.
- 10. Flaring of gas is prohibited. The State Forester grants an exception to the prohibition on open fires for the flaring of natural gas when the following conditions are met. Unless flaring is needed for safety purposes, flaring pursuant to this exception shall not be done on days that are "red flag days" as determined by the National Weather Service or on days when the sustained wind is in excess of 25 miles per hour in the area.
- 11.1. The day is not a "red flag day" as determined by the National Weather Service and the sustained wind is not in excess of 25 miles per hour in the area.
- 12.2. The local fire department and county dispatch are notified at least 24 hours in advance of anticipated releases that will result in flaring. If flaring is done by an automated system then the schedule of flaring shall be provided to the local fire department and county dispatch. The area is mowed and maintained at a length not to exceed 4 inches and all other flammable products or debris shall be cleared in the area for a distance of one and one half times the height of the stack.
- 13.3. At least one adult is on site with communications equipment adequate to reach county dispatch and the local fire department in the event of a fire. The individual should also be equipped with a shovel and a water backpack pump or other equipment to deliver water to suppress a fire
- 14.4. If flaring is to take place at an unmanned facility, then the area around the flare stack is mowed and maintained at a length not to exceed 4 inches and all other flammable products or debris shall be cleared in the area for a distance of three times the height of the stack.

Your initials here

DATE: 10/00/15-

Jami Balley, Division Director

Oil Conservation Division

Susana Martinez Governor

David Martin Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary

March 7, 2014

FOR IMMEDIATE RELEASE Contact: Jim Winchester (505)231-8800 E-Mail: jim.winchester@state.nm.us

Notice to Oil and Gas Facilities and Operators Flaring Gas in New Mexico

SANTA FE, NM – The Oil Conservation Division (OCD) encourages all oil and gas facilities with flare stacks and well operators that are flaring gas to upgrade their *Fire Awareness Programs* this year. New Mexico State Forestry reports that 362 fires burned 6,879 acres on state and private land in calendar year 2013.

Forecasts remain dismal this spring with fewer chances for normal precipitation, particularly in southwestern New Mexico and southeastern Arizona. Temperatures are expected to be higher than normal.

Open flames and gas flares should be monitored carefully and oil and gas operators should create a defensible space to help prevent wildfires. Defensible Space is the area around a structure where combustible vegetation that can spread fire has been cleared, reduced or replaced. This space acts as a barrier between a structure and an advancing wildfire.

This means that as a general rule of thumb, the area around staffed flaring facilities should be mowed and maintained at a length not to exceed 4 inches and all other flammable products or debris should be cleared in the area for a distance of at least one and one half times the height of the stack.

If flaring is to take place at an unstaffed facility, then the mowed area around the flare stack should be increased to three times the height of the stack. On "red flag" days local fire departments should be notified prior to the flaring operations.

During the course of the upcoming fire season, it may become necessary for New Mexico State Forestry to issue fire restriction on State and private land. Log on to <u>www.nmforestry.com</u> for updates or to get information on how contact your local State Forestry District office.

For the latest fire weather information please visit USDA Forest Service website: <u>http://gacc.nifc.gov/swcc/predictive/outlooks/monthly/swa_monthly.pdf</u>

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The Energy, Minerals and Natural Resources Department provides resource protection and renewable energy resource development services to the public and other state agencies.

