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 Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-129 Revised May 13, 2020

Submit one copy to appropriate District Office

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) Applicant Murchison Oil and Gas, LLC A. whose address is 7250 Dallas Parkway, Ste. 1400, Plano, TX 75024 hereby requests an exception to Rule 19.15.18.12 for 90 days beginning 5/29/2021 or until 8/27/2021 for the following described tank battery (or LACT): Name of Lease Ogden State 9H (30-015-37701) Name of Pool Black River; Delaware, South Location of Battery: Unit Letter K Section 2 Township 258 Range 26E Number of wells producing into battery 1 Based upon oil production of _______barrels per day, the estimated * volume В. of gas to be flared is 1 MCF; Value \$1 per day. \mathbb{C} . Name and location of nearest gas gathering facility: DCP Black River Booster Station located 2 miles northeast of subject well Distance 2 miles Estimated cost of connection \$2,500,000 D. This exception is requested for the following reasons: No economic gas pipeline connection has E. been discovered which will handle the H2S content. We are continuing to look for a gas sales option. In the mean time, we need to flare gas production to maintain the oil production. OIL CONSERVATION DIVISION **OPERATOR** I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above Approved Until May 29 - Aug. 27, 2021 (90 days) is true and complete to the best of my knowledge and belief. **Kurt Simmons** Signature

Title NMOCD, Santa Fe

Date

05/18/2021

& Title Gary R. Cooper, Vice President Operations

Date 5/17/2021 Telephone No. 972-931-0700

E-mail Address rcooper@idmii.com

Printed Name

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

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III
1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

CONDITIONS

Action 28491

CONDITIONS OF APPROVAL

Operator:			OGRID:	Action Number:	Action Type:
MURCHIS	SON OIL AND GAS, LLC	7250 Dallas Parkway	15363	28491	C-129
Suite 1400	Plano, TX75024				

OCD Reviewer	Condition
ksimmons	None