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 DEC 0 3 2015

Form C-129 Revised August 1, 2011

Submit one copy to appropriate District Office

NFO Permechis.ED

(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 is 7250 Dallas Parkway, Ste. 1400, Plano, TX 75024,
hereby requests an exception to Rule 19.15.18.12 for 90 days or until March 9 ,
, Yr <u>2016</u> , for the following described tank battery (or LACT):
Name of Lease Jackson Unit 16H (30-025-41167) Name of Pool Triple X; Bone Spring, West
Location of Battery: Unit Letter <u>B</u> Section <u>15</u> Township <u>24S</u> Range <u>33E</u>
Number of wells producing into battery2
B. Based upon oil production ofbarrels per day, the estimated * volume
of gas to be flared isMCF; Value\$160per 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
M. I rik.
Printed Name & Title Gary Cooper, Vice President Operations Title
Email Address_rcooper@jdmii.com Date 12/9/2015
Date 12/01/15 Telephone No. 972-931-0700

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