11/30/2020 - NMOCD

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

IFO Permit	No.		
		(For Division	Lice 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 and Gas, LLC 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 12/17/2020 or until March 17, 2021 for the following described tank battery (or LACT): Name of Lease Polar Bear State Com 1 (30-015-32535) Name of Pool Anderson; Wolfcamp, North Location of Battery: Unit Letter E Section 1 Township 17S Range 28E Number of wells producing into battery ___1___ Based upon oil production of _______ barrels per day, the estimated * volume B. of gas to be flared is 14 MCF; Value \$15 €. Name and location of nearest gas gathering facility: DCP Midstream, Artesia Processing Plant, Eddy County, NM Distance Estimated cost of connection D. E. This exception is requested for the following reasons: Flaring is needed for safety purposes and/or short term unplanned operational needs. Well shut in at this time may damage formation and reduce future production. OIL CONSERVATION DIVISION **OPERATOR** I hereby certify that the rules and regulations of the Oil Conservation Approved Until Dec. 17 - Mar. 17, 2021 (90 days) Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. **Kurt Simmons** Signature By Printed Name Title NMOCD, Santa Fe & Title Gary R. Cooper, Vice President Operations 11/30/2020 Date E-mail Address rcooper@jdmii.com Date 11/30/2020 Telephone No. 972-931-0700

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