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 August 1, 2011

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 HOBBS OCD
(See Rule 19.15.18.12 NMAC and Rule 19.15.7.37 NMAC)

OCT 10 2014

A.   Applicant ___Murchison Oil & Gas, Inc._____,

whose address is ___1100 Mira Vista Blvd., Plano, TX 75093_____,

RECEIVED

hereby requests an exception to Rule 19.15.18.12 for ___~~120~~ 90___ days or until _____,
Yr _____, for the following described tank battery (or LACT):

Name of Lease Jackson Unit 22H (30-025-41228)   Name of Pool Triple X; Bone Spring, West

Location of Battery: Unit Letter ___M___ Section ___22___ Township ___24S___ Range ___33E___

Number of wells producing into battery _____1_____

B.   Based upon oil production of _____300_____ barrels per day, the estimated * volume

of gas to be flared is ___150___ MCF; Value ___$600___ per day.

C.   Name and location of nearest gas gathering facility:

Frac Cat Compressor Station, Lea County, NM

D.   Distance _____ Estimated cost of connection _____

E.   This exception is requested for the following reasons: Periodic curtailment by Agave.

Well shut in at this time may damage formation which will reduce future production.

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.

Signature ___Michael J. Daugherty___

Printed Name
& Title ___Michael S. Daugherty, EVP & COO___

Email Address ___mdaugherty@jdmii.com___

Date 10/08/2014   Telephone No. 972-931-0700

OIL CONSERVATION DIVISION

Approved Until ___1/8/2015___

By ___Marcus Brown___

Title ___Dist. Supervisor___

Date ___10/14/2014___

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

OCT 17 2014