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

**HOBBS OCD**

Form C-129
Revised August 1, 2011

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

**SEP 1 1 2015** Submit one copy to appropriate
District Office

NFO Permit No. _____
RECEIVED (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 _____120_____ days or until ____,

_____, Yr _____, for the following described tank battery (or LACT):

Name of Lease MOGI 9 State Com 3H (30-025-41070) Name of Pool Triple X; Bone Spring, West

Location of Battery:  Unit Letter __N___ Section ___9___ Township __24S__ Range __33E__

Number of wells producing into battery _____2_____

B.   Based upon oil production of _____100_____barrels per day, the estimated * volume

of gas to be flared is _____200_____MCF; Value _____$350_____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: Intermittent curtailment by Agave due to compressor maintenance.  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 _12/9/2015_ |
| Signature _____ | By __Mary J Brown__ |
| Printed Name & Title __Gary Cooper, Vice President Operations__ | Title _District Supervisor_ |
| Email Address __rcooper@jdmii.com__ | Date __9/14/2015__ |
| Date  9/9/15    Telephone No. 972-931-0700 | |

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