

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 11 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 Jackson Unit 16H (30-025-41167) Name of Pool Triple X; Bone Spring, West

Location of Battery: Unit Letter B Section 15 Township 24S Range 33E

Number of wells producing into battery 2

- B. Based upon oil production of 80 barrels per day, the estimated \* volume  
of gas to be flared is 100 MCF; Value \$175 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

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 [Signature]

Printed Name  
& Title Gary Cooper, Vice President Operations

Email Address rcooper@jdmii.com

Date 9/9/15 Telephone No. 972-931-0700

### OIL CONSERVATION DIVISION

Approved Until 12/9/2015

By [Signature]

Title District Supervisor

Date 9/14/2015

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

SEP 15 2015