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 HOBBS 1220 South St. Francis Dr. Santa Fe, NM 87505 State of New Mexico Energy Minerals and Natural Resources NFO Permit No.

Form C-129 Revised August 1, 2011

Submit one copy to appropriate District Office

(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)

А.	ApplicantMurchison Oil & Gas, Inc	,		
	whose address is7250 Dallas Parkway, Ste. 1400, Plano, TX 75024,			
	hereby requests an exception to Rule 19.15.18	8.12 for days or until <u>March 19</u> ,		
	Yr <u>2018</u> , for the following described tank battery (or LACT):			
	Name of Lease Jackson Unit 20H (30-025-41139) Name of Pool Triple X; Bone Spring, West			
	Location of Battery: Unit LetterOS	ection <u>21</u> Township <u>24S</u> Range <u>33E</u>		
	Number of wells producing into battery	2		
B.	Based upon oil production of65	barrels per day, the estimated * volume		
	of gas to be flared is158MCI	F; Value \$332 per day.		
C.	Name and location of nearest gas gathering fa	ing facility:		
	Frac Cat Compressor Station, Lea County, N	M		
D.	DistanceEstimated cost of connection			
E.	This exception is requested for the following reasons: <u>Intermittent curtailment by Lucid due to</u> <u>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 3192018		
Signature		By_MapupsBrown		

Printed Name

& Title Gary Cooper, Vice President Operations

Email Address rcooper@jdmii.com

Telephone No. 972-931-0700 Date 12/07/17

Approved Until	3/19	2018	
By Ma	Juges Br	aun	
Title 🛛 🖊	40/IL	-	
Date	12/16	2017	

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