District I 1625 N. French Dr., Hobbs, NM 88240HOBBS CD Energy

State of New Mexico Energy Minerals and Natural Resources

Form C-129 Revised August 1, 2011

District II 811 S. First St., Artesia, NM 88210 District III

DEC 11 2017

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

Submit one copy to appropriate District Office

1000 Rio Brazos Road, Aztec, NM 87410 1220 S. St. Francis Dr., Santa Fe, NM 87505 RECEIVED

NFO Permit No.

(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.	ApplicantMurchison Oil & Gas, Inc.		
	whose address is		
	, Yr <u>2018</u> , for the following described tank battery (or LACT):		
	Name of Lease Jackson Unit 12H (30-025-4	Name of Pool <u>Triple X</u> ; Bone Spring, West	
	Location of Battery: Unit Letter <u>A</u> S	ection <u>16</u> Township <u>24S</u> Range <u>33E</u>	
	Number of wells producing into battery	1	
B.	Based upon oil production of59_	barrels per day, the estimated * volume	
	of gas to be flared is132	MCF; Values328per day.	
C.	Name and location of nearest gas gathering facility:		
D.	DistanceEstimated cost of connection		
E. This exception is requested for the following reasons: <u>Intermittent curtailment by Lucid due to</u> compressor maintenance. Well shut in at this time may damage formation and reduce future production.			
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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.		OIL CONSERVATION DIVISION Approved Until 3/19/2018	
		Approved Until 3/19/2018	
Signature		By Majeys Brown	
Printed Name & Title Gary Cooper, Vice President Operations		Title AD/II	
		Date 12/16/2017	
Date 12/07/17 Telephone No. 972-931-0700			

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