DISTRICT I
P.O.Box 1980. Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410
Submit 3 Copies to
Appropriate District Office

State of New Mexico
ergy, Minerals and Natural Resources Depar   nt

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-129
Revised 4-1-91

NFO Permit No. _I - 811 - C_
(For Division Use Only)

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306
(See Rule 306 and Rule 1129)

A. Applicant ____Aviara Energy Corporation____,

whose address is __P. O. Box 1350, Houston, TX   77251-1350__,

hereby requests an exception to Rule 306 for ____365____ days or until

__6 October, 2000__, XX____, for the following described tank battery (or LACT):

Name of Lease____McMillan #34-1-C____ Name of Pool __Pollock, Wolfcamp, NE__

Location of Battery: Unit Letter__C__ Section __34__ Township__14S__ Range __38E__

Number of wells producing into battery ____One (1)____

B. Based upon oil production of____12____ barrels per day, the estimated * volume

of gas to be flared is __less than 1__ MCF; Value____$2.50____ per day.

C. Name and location of nearest gas gathering facility:

____El Paso Natural Gas Company (Section 10)____

D. Distance ____4.5 miles____ Estimated cost of connection ____$200,000.00____

E. This exception is requested for the following reasons:____Uneconomical to connect____

____to pipeline.____

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 ____Victoria Guidry____

Printed Name   Victoria Guidry
& Title   Production/Regulatory Coord.

Date 19 November 1999 Telephone No. 713/871-3400

OIL CONSERVATION DIVISION

Approved Until ____11/24/2000____

ORIGINAL SIGNED BY CHRIS WILLIAMS
DISTRICT SUPERVISOR

By____

Title____

Date____NOV 2   1999____

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