

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Bruzon Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

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

Form C-129
Revised June 10, 2003

Submit 3 Copies to appropriate
District Office

NFO Permit No. _____
(For Division Use Only)

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

(See Rule 306 and Rule 1129)

30-015-34839

- A. Applicant BC Operating, Inc,
whose address is P.O. Box 50820 Midland, Texas 79710,
hereby requests an exception to Rule 306 for 90 days or until
June 1, Yr 2007, for the following described tank battery (or LACT):
Name of Lease Rustler Bluff Name of Pool Willow Lake (Delaware)
Location of Battery: Unit Letter L Section 6 Township 25S Range 29E
Number of wells producing into battery 1
- B. Based upon oil production of 40 barrels per day, the estimated * volume
of gas to be flared is 15 MCF; Value \$75 per day.
- C. Name and location of nearest gas gathering facility:
Duke Energy -- Pipeline Connection
- D. Distance 400' Estimated cost of connection \$3000
- E. This exception is requested for the following reasons:
Pending pipeline connection

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 Tyna Carter

Printed Name
& Title Tyna Carter -- Regulatory Analyst

E-mail Address tynac@usaonline.net

Date 3/07/07 Telephone No. 432-684-9696

OIL CONSERVATION DIVISION

Approved Until June 9, 2007

By White Brown

Title Dist II

Date MAR 09 2007

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