

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

NFO Permit No. 2-890
(For Division Use Only)

A. Applicant, Arch Petroleum, Inc.,
whose address is 10 Desta Dr., Suite 420E Midland, Texas 79705,
hereby requests an exception to Rule 306 for 90 days or until
October 4, 19 97, for the following described tank battery (or LACT):

Name of Lease McCall Name of Pool Atoka;Glorieta-Yeso

Location of Battery: Unit Letter M Section 24 Township 18S Range 26E

Number of wells producing into battery 2

B. Based upon oil production of 81 barrels per day, the estimated* volume
of gas to be flared is 66 MCF; Value _____ per day.

C. Name and location of the nearest gas gathering facility:

Yates Petroleum Company

D. Distance _____ Estimated cost of connection _____

E. This exception is requested for the following reasons:

The pipeline from the well to the sales line is under
construction and should be completed within the next 60
to 90 days.

AUG 11 1997

OIL CON. DIV.
DIST. 2

F. 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.

Robert S. McCaskey
(Signature)
Technical Assistant
(Title)
08/08/97
(Date)

Approved Until 10/4/97

NEW MEXICO OIL CONSERVATION DIVISION
ORIGINAL SIGNED BY TIM W. GUM
By DISTRICT II SUPERVISOR

Title _____
Date AUG 12 1997

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