

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 87003

District III

1000 Rio Brazos Road, Aztec, NM 87409

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

RECEIVED

SEP 01 2009

HOBBSOCD

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.

I-994

(For Division Use Only)

RECEIVED
APPLICATION FOR EXCEPTION TO NO-FLARE RULE 306

2009 AUG 24 PM 1:41
(See Rule 306 and Rule 1129)

- A. Applicant CAMPBELL & HEDRICK,
whose address is P. O. BOX 401, Midland, Texas 79702 30-025-04881
hereby requests an exception to Rule 306 for _____ days or until
_____, Yr _____, for the following described tank battery (or LACT):
Name of Lease SHELL STATE Name of Pool EUNICE 7-RIVERS QUEENEN SOUTH
Location of Battery: Unit Letter M Section 32 Township 21S Range 36E
Number of wells producing into battery 1
- B. Based upon oil production of 1 barrels per day, the estimated * volume
of gas to be flared is < 3 MCF; Value \$9.00 per day.
- C. Name and location of nearest gas gathering facility:
DCP MIDSTREAM
- D. Distance _____ Estimated cost of connection _____
- E. This exception is requested for the following reasons: we volunteered to lay line on DCP
right-a-way, hook up at both our end and their end and give the line to DCP
if they would continue to take our gas. DCP said that less than 3 mcf/day
is not economical for them to purchase. See DCP letter attached.

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 O. F. Hedrick

Printed Name
& Title O. F. HEDRICK, OPERATOR

E-mail Address _____

Date 08/21/2009 Telephone No. 432-684-4393

OIL CONSERVATION DIVISION

Approved Until 9-1-2010

By Tony W. Hill

Title DISTRICT 1 SUPERVISOR

Date SEP 01 2009

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



DCP Midstream
10 Desta Drive
Suite 400-West
Midland, Texas 79705
(432) 620-4160 (fax)

July 13, 2009

Campbell & Hedrick
Mr. Ollie Hedrick
P.O. Box 401
Midland, TX 79701

RECEIVED
SEP 01 2009
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RECEIVED
JUL 15 2009
BY:

Re: Low Gas Volume Meter Disconnection Notice

Gentlemen:

Based on recent months' gas deliveries, volumes have been insufficient to justify continued operation of the following meter:

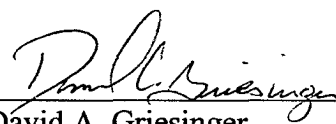
<u>Well/Lease Name</u>	<u>Contract</u>	<u>DCP Meter No.</u>	<u>Average Gas Volume (Mcf/day), last 6 months</u>
Shell State	EUN012500A	15280-00	3

DCP Midstream, LP plans to remove the metering equipment serving this lease in approximately **30 days** unless gas deliveries increase significantly. Once we disconnect the meter, if we later install a replacement meter, DCP's customary meter reconnection fee of **\$1,500** will apply.

We appreciate your commitment of this gas to DCP, and we look forward to opportunities to serve you in the future. If you have any questions, please contact Cliff Thomas at 432 620-4073.

Sincerely yours,

DCP MIDSTREAM, LP

By 
David A. Griesinger
Managing Director

cc: Area Gas Measurement Team