

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  
Energy, Minerals and Natural Resources Department

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-D

(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  
October 6, 2001, ~~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 15 barrels per day, the estimated \* volume  
of gas to be flared is less than 1 MCF; Value \$3.00 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 \$220,000.00
- 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 October 2, 2000 Telephone No. 713-871-3444

OIL CONSERVATION DIVISION

Approved Until 10-6-2001

By ORIGINAL SIGNED BY  
GARY WINK  
Title FIELD REP. II

Date 10-6-2000

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