

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
Elaboration, Minerals and Natural Resources Department

Form C-129
Revised 4-1-91

OIL CONSERVATION DIVISION
2040 Pacheco St.
Santa Fe, NM 87505

NFO Permit No.

I-811-B

(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
15 July, 19 98, for the following described tank battery (or LACT):
Name of Lease McMillan #34-1 Name of Pool NE Pollock, Wolfcamp
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 10 barrels per day, the estimated * volume
of gas to be flared is less than 1 MCF; Value \$18.00 (\$1/mcf) 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 \$300,00.00
- 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

Printed Name

Title Donny Worthington, Mgr; Envir., Safety, Reg. Title

Date 15 July 1997 Telephone No. (713) 871-3400

OIL CONSERVATION DIVISION

9/18/98

Approved Until ORIGINAL SIGNED BY CHRIS WILLIAMS
DISTRICT I SUPERVISOR

By

Chris Williams

Date

SEP 19 1997

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