DISTRICT P.O. Box 1980, Hobbs, NM 8/241-1980

DISTRICT II P.O. Drawer DD, Arlena, NM 88211-0719

DISTRICT III

1000 Rio Briance Road, Aztec, NM 87410

State of New Mexico Energy, Minerals & Natural Resources Dep

Form C-136 Originated 12/23/91

OIL CONSERVATION DIVISION P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Submit original and 4 copies to the appropriate district office.

API	Rule 403.B(1) or (2)	E GAS MEASUREMENT METHO) D
Operator Name:	MERRION OIL & GAS CORPORATION	Operator No. 599	17

Operator Address: P. O. Box 840, Farmington, NM Lease Name: Jicarilla 428 No. 7 Federal X Type: State (N) Section 30, T23N, R4W, Location: Sandoval. Ballard Pictured Cliffs

Pool:

Requested Effective Time Period: Beginning

DEC1 7,1992

APPROVAL PROCEDURE: RULE 403.B.(1) Please attach a separate sheet with the following information.

A list of the wells (including well name, number, ULSTR location, and API No.) included in this application.

Ending

- 1)
- A one year production history of each well included in this application (showing the annual and daily volumes).
- 3) The established or agreed-upon daily producing rate for each well and the effective time period.
- Designate wells to be equipped with a flow device (required for wells capable of producing 5 MCF per day or more). 4)
- The gas transporter(s) connected to each well.

APPROVAL PROCEDURE: Rule 403.B.(2)

Please attach a separate sheet with the following information.

A separate application is required for each Central Point Delivery (CPD).

Working interest, royalty and overriding royalty ownership must be common for all wells to be connected to the subject CPD.

- An ownership plat showing a description of the lease and all of the wells to be produced through this CPD.
 - List the wells which will be metered separately, including API No.
 - List the wells which will not be metered separately, including API No.
- Describe the proposed method of allocating production from non-metered wells.
- A one year production history of the wells which will not be metered showing the annual and daily volumes. 3)
- The gas transporter(s) connected to this CPD. 4)

Applicant will be responsible for filing OCD Form C-111 for the CPD.

OPER	ATOR
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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:

Steven S. Dunn

Printed Name & Title: Operations Manager

12-16-92

OIL CONSERVATION DIVISION

This approval may be cancelled at anytime that operating conditions indicate that re-tests may be necessary to prevent waste and protect correlative rights.

Approved Until:

Original Signed by FRANK T. CHAVEZ

SUPERVISOR DISTRICT #3 Title:

ATTACHMENT TO C-136

JICARILLA 428 No. 7

Jicarilla Contract 428
(N) Section 30, T23N, R4W
Sandoval County, New Mexico
Ballard Pictured Cliffs

API: 30-043-20289

Gas Transporter: EPNG

PRODUCTION HISTORY

JICARILLA 428 No. 7

	GAS <u>MCF</u>
January, 1992	284
February, 1992	12
March, 1992	0
April, 1992	431
May, 1992	300
June, 1992	275
July, 1992	253
August, 1992	234
September, 1992	231
October, 1992	257

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Ref Agreement dated 1-22-92

Page	1	of	1		

REV DATE:	9-8-92
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ATTACHMENT ALTERNATIVE METHOD

LOW FLOW WELL LISTING

Operator Code

5997

Operator Name Merrion Oil & Gas Corp.

						TIME	AGREED	
		-			TEST	CALC.	VOLUME	
				TEST	PERIOD	HOURLY	i -	VOLUME
METER	WELL		AREA	PERIOD	FLOW	RATE	RATE	CLOSED
NO.	NAME	STATE	LOCATION	MCF	HOURS	MCF	MCF	CONDITIONS
	Chaco Plant							
02-625	1 & 2 CPD	NM-31	Aztec	1068	2618.5	0.4	9.6	TC
	Rock House							
75-864	Canyon #1	NM-31	Chaco	20	39.2	0.51	12.24	TC
	Jicarilla 428							
90-282	#7	NM-31	Chaco	1302	2781.9	0.47	11.28	
00 700	Haniad Fed #2	ı						Code 29 off 33%
90-739	FR PC CMGLD	NM-31	Chaco	53	568.5	0.09	0.72	AV
93-106	Hi-Roll #2R	NM-31	Aztec	2354	4107.2	0.57	13.68	тс
	East					- 0.01	10.00	
93-288	Lindrith #3	NM-31	Chaco	678	1195.9	0.56	13.44	тс
93-791	Bonanza #5	NM-31	Chaco	1438	2429.1	0.59	14.18	TC
94-052	Bonanza #6	NM-31	Chaco	1422	2326.7	0.61	14.64	тс
	Salazar							
94-180	G-34 #1	NM-31	Chaco	200	354.9	0.56	13.44	тс
	Dome Federal							
94-303	18-27-13 #2	NM-31	Aztec	761	1837.1	0.41	9.84	TC
94-566	Rita Com #1	NM-31	Chaco	510	2086.1	0.24	5.76	TC
	Salazar G					0.21	3.73	
94-722	Com 26 #1	NM-31	Chaco	594	1002.4	0.59	14.16	TC

TC = Time Calculated Volume	(Hourty)
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AV = Agreed Upon Volume (Daily)

ACCEPTED	EY: