October 17, 1984

BUREAU OF LAND MANAGEMENT. FARMINGTONETSOURGE AREAE D

Bureau of Land Management Caller Service 4104 Farmington, New Mexico 87499 OCT 101984

Gas Flare Application RE: Sandoval County, New Mexico

Gary-Williams Oil Producer, Inc., respectfully submits an application to flare associated produced gas from the following wells in Sandoval County, New Mexico:

> Taylor #30-8 SE NE Section 30-21N-3W NM 16579

Taylor #29-13 SW SW Section 29-21N-3W NM 29168

* Penistaja #11-1 NE NE Section 11-20N-4W NM 24449

San Isidro #1-16 SE SE section 1-20N-3W NM 37548

San Isidro #15-4 NW NW section 15-20N-3W NM 36936

San Isidro #11-16 SE SE section 11-20N-3W NM 19150

San Isidro #14-4 NW NW Section 14-20N-3W

NM 36936

San Isidro #12-2 NW NE Section 12-20N-3W NM 36096

San Isidro #12-4 NW NW Section 12-20N-3W NM 36096

For complete upplicationsee

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* Lease operations are supplemented periodically with propane. Gas vented is on an intermittent basis.

The total gas presently being vented from the above 9 wells is about 150 mefpd. Cost to gather, measure, dehydrate and compress the gas to get it into a sales line is estimated at \$1,354,000. Exhibits Number 1 and 2 outline the estimated cost to install the gas sales system and a map showing the possible route of the gas sales system.

This application contains present worth analysis of the oil production McKet (including the cost to drill, complete and equip the wells), gas production (including only the cost on a prorated basis to market the gas), and a combined oil and gas production. The oil and gas price used in this analysis

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