

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 Road, Aztec, NM 87410

State of New Mexico
Energy, Minerals & Natural Resources Department

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.

Donanga #6
APPLICATION FOR APPROVAL TO USE AN ALTERNATE GAS MEASUREMENT METHOD
Rule 403.B(1) or (2)

Operator Name: MERRION OIL & GAS CORPORATION Operator No. 5997
Operator Address: P.O. Box 840, Farmington, New Mexico 87499
Lease Name: See attachment Type: State Federal X Fee
Location: See attachment
Pool: West Lindrith Gallup-Dakota
Requested Effective Time Period: Beginning 2-1-93 Ending indefinitely
RECEIVED
DEC 17 1992

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

OIL CON. DIV. I
DIST. 3

- 1) A list of the wells (including well name, number, ULSTR location, and API No.) included in this application.
 - 2) 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. -
 - 4) Designate wells to be equipped with a flow device (required for wells capable of producing 5 MCF per day or more).
 - 5) The gas transporter(s) connected to each well.
- RECEIVED**

APPROVAL PROCEDURE: RULE 403.B.(2)

Please attach a separate sheet with the following information.

JAN - 5 1993

OIL CON. DIV. I

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 **DIST. 3** CPD.

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

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

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: *Steven S. Dunn*

Printed Name & Title: Steven S. Dunn
Operations Manager

10-16-92 1-4-93

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: *Further notice*

By: Original Signed by FRANK T. CHAVEZ

Title: SUPERVISOR DISTRICT # 3

ATTACHMENT TO C-136

BONANZA No. 5

Jicarilla Contract 360

(G) Section 12, T22N, R3W

Sandoval County, New Mexico

West Lindrith Gallup-Dakota

API: 30-043-20520

BONANZA No. 6

Jicarilla Contract 360

(O) Section 12, T22N, R3W

Sandoval County, New Mexico

West Lindrith Gallup-Dakota

API: 30-043-20521

Gas Transporter: EPNG

PRODUCTION HISTORY

	<u>BONANZA No. 5</u>	<u>BONANZA No. 6</u>
	<u>GAS</u> <u>MCF</u>	<u>GAS</u> <u>MCF</u>
January, 1992	396	421
February, 1992	172	519
March, 1992	61	290
April, 1992	180	519
May, 1992	526	225
June, 1992	734	243
July, 1992	703	282
August, 1992	695	678
September, 1992	679	675
October, 1992	320	663

DATE : Ref Agreement dated 1-22-92Page 1 of 1REV DATE: 9-8-92ATTACHMENT
ALTERNATIVE METHOD

LOW FLOW WELL LISTING

Operator Code 5997
Operator Name Merrion Oil & Gas Corp.

METER NO.	WELL NAME	STATE	AREA LOCATION	TEST PERIOD MCF	TEST PERIOD FLOW HOURS	TIME CALC. HOURLY RATE MCF	AGREED VOLUME DAILY RATE MCF	WELL VOLUME CLOSED CONDITIONS
02-625	Chaco Plant 1 & 2 CPD	NM-31	Aztec	1068	2618.5	0.4	9.6	TC
75-884	Rock House Canyon #1	NM-31	Chaco	20	39.2	0.51	12.24	TC
90-282	Jicarilla 428 # 7	NM-31	Chaco	1302	2761.9	0.47	11.28	TC
90-739	Hanlad Fed #2 FR PC CMGLD	NM-31	Chaco	53	568.5	0.09	0.72	Code 29 off 33% AV
93-106	Hi-Roll #2R	NM-31	Aztec	2354	4107.2	0.57	13.68	TC
93-288	East Lindrith #3	NM-31	Chaco	678	1195.9	0.56	13.44	TC
93-791	Bonanza #5	NM-31	Chaco	1438	2429.1	0.59	14.16	TC
94-052	Bonanza #6	NM-31	Chaco	1422	2326.7	0.61	14.64	TC
94-180	Salazar G-34 #1	NM-31	Chaco	200	354.9	0.56	13.44	TC
94-303	Dome Federal 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
94-722	Salazar G Com 26 #1	NM-31	Chaco	594	1002.4	0.59	14.16	TC

TC = Time Calculated Volume (Hourly)

AV = Agreed Upon Volume (Daily)

ACCEPTED BY : _____