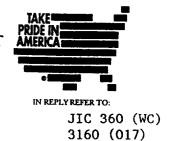


United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Rio Puerco Resource Area 435 Montano N.E. Albuquerque, New Mexico 87107



DEC 2 6 1993

Merrion Oil and Gas Corporation P.O. Box 840 Farmington, New Mexico 87499

Gentlemen:

We have completed our review of the information provided in your application for use of an Alternative Measurement method for marginal low flow wells dated December 17, 1992. The following wells were evaluated to determine if they qualify for use of an Alternative Measurement method for marginal low flow wells:

NAME

LOCATION

LEASE

Bonanza #5

Sec. 12 ,T.22 N.,R.3 W.

Jicarilla Lease #360 Jicarilla Lease #360

We agree that the Bonanza #5 and Bonanza #6 meet the standards for Alternative Measurement methods for marginal low flow wells as stated in NTL 92-5 (New Mexico). Therefore, your application is approved as of December 16, 1992 and will stay in effect as long as the wells continue to meet the standards for Alternative Measurement methods.

We regret any inconvenience that this late approval may have caused, but due to the work priorities set by our State Office and the recent transfer of responsibility from the Farmington District Office, we were not able to approve this action until this time. If you have any questions, please contact Robert Kent at (505) 761-8762.

Sincerely

(Original Signed) HECTOR A. VIELALOBOS

Hector A. Villalobos Area Manager

bcc: NMOCD BIA AIRS/PET OIL CON. DIV.

D_stributions: O+4 (BLM); 1 - Well File Form 3160-5 UNITED STATES FORM APPROVED (June 1990) DEPARTMENT OF THE INTERIOR Budget Bureau No. 1004-0135 Expires: March 31, 1993 **BUREAU OF LAND MANAGEMENT** 5. Lease Designation and Serial No. SUNDRY NOTICES AND REPORTS ON WELLS LIC CONT 360 6. If Indian, Allonse or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1. Type of Well Oil Well 8. Well Name and No. 5 46 Boyer 2 2. Name of Operator See attachment

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Various locations (see atta	11. County or Parish, State	
CHECK APPROPRIATE BO	X(s) TO INDICATE NATURE OF NOTICE	E, REPORT, OR OTHER DATA
TYPE OF SUBMISSION		FACTION
Notice of Intent Subsequent Report Final Abandonment Notice	Abandonment Recompletion Plugging Back Casing Repair Altering Casing Other	Change of Plans New Construction Non-Routine Fracturing Water Shut-Off Conversion to Injection Dispose Water
		(Note: Report results of multiple completion on Well

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Attached - Alternative Measurement

Merrion Oil & Gas corporation

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

P. O. Box 840, Farmington, NM 87499

3. Address and Telephone No.

Request Form For Time Calculated Volume (1-5 Dth Per Day) & (5-15 Dth Per Day)

OIL CON. DIV.

9. API Well No.

10. Field and Pool, or Exploratory Area

Signed Si	Tide Operations Manager	Date 12-16-92
(This space for Federal or State orfice use) (Original Signed) HECTOR A. VILLALOBOS Approved by Conditions of approval, if any:	AREA MANAGER Tide RIO PUERCO RESOURCE AREA	DEC 2 0 1993

' L CONSERVATION DIVISIT

form C-107 kerised 10-

P. O. BOX 2066

JANTA FE. NEW MEXICO 8750

* · · · · · · · · · · · · · · · · · · ·		All distances m	wet la from	the cuter how		a Socilm.	**************************************
Merrion Oil	S Cag Com			989e	11)44		Well No.
Merrion Oil	ection		الانا	BONANZA	-// ¹¹ (6
0	12	Township		Ronge	Co	esty	
Actual Footage Location		227/		JW		Sandoval	
	eet from the S	outh	line and	1850	4a-4.4-	n the East	
Ground Lavet Elev:	Producing Fo	ormation	Po	×oi	feet from		line Dedicated Acreages
721.7		Dakota	We	est Lindri	th Gallu	p-Dakota	160 Acres
2 If more than interest and : 3. If more than o	one lease is royalty).	dedicated to	the well, o	outline each	and identif	y the ownershi	ip thereof (both as to working
No allowable	no," list the cessary.)	ed to the well u	ct descrip	tions which	have actual	-1:1 . 1 0	lidated. (Use reverse side of communitization, unitization, een approved by the Commis-
				1		-	CERTIFICATION
DEC	EIVE 121/1993 ON. DIX					tained	herein is true and comelete to the
			- FIE	GET	VED	Store	92 T
:	Sec	e.	BUREAU.	MAY 3 1 19	84	Operat:	ions Manager En Constant Const
! ! ! ! . — — — 1		1:	2	 		I have shown a mates a under m is true knowled	y cartify that the well leastless in this plat was plotted from field i ectual surveys made by me or y supervision, and that the some and correct to the best of my ign and belief.
 	Scale	:: 1"=1000°	720.	1850	•••	Registered Can	B. Kerr Jr.

1 10 11	•	

Ref Agreement dated 1-22-92

Page	1 of 1

REV DATE: 9-8-92

ATTACHMENT ALTERNATIVE METHOD

LOW FLOW WELL LISTING

Operator Code

5997

Operator Name Merrion Oil & Gas Corp.

	T							
						TIME	AGREE	
					TEST	CALC.	VOLUM	E WELL
METER	WELL			TEST	PERIOD	HOURLY	DAILY	
NO.	1		AREA	PERIOD	FLOW	RATE	RATE	CLOSED
140.	NAME Chaco Plant	STATE	LOCATION	MCF	HOURS	MCF	MCF	CONDITIONS
02-625	1							
02-025	1 & 2 CPD	NM-31	Aztec	1068	2618.5	0.4	9.6	TC
75-864	Rock House							
75-004	Canyon #1	NM-31	Chaco	20	39.2	0.51	12.24	TC
90-282	Jicarilla 428 # 7			•				
30-202	+	NM-31	Chaco	1302	2761.9	0.47	11.28	TC
00 720	Haniad Fed #2	I		İ				Code 29 off 33%
90-739	FR PC CMGLD	NM-31	Chaco	53	568.5	0.09	0.72	
93-106	Ui Dell #OD							
30-100	Hi-Roll #2R East	NM-31	Aztec	2354	4107.2	0.57	13.68	TC
93-288	l I							
93-200	Lindrith #3	NM-31	Chaco	678	1195.9	0.56	13.44	TC
02 704	B							
93-791	Bonanza #5	NM-31	Chaco	1438	2429.1	0.59	14.16	тс
94-052	Baaran #0							
34-052		NM-31	Chaco	1422	2326.7	0.61	14.64	тс
94-180	Salazar							
34-100		NM-31	Chaco	200	354.9	0.56	13.44	TC
94-303	Dome Federal							
34/303	18-27-13 #2	NM-31	Aztec	761	1837.1	0.41	9.84	TC
94-566	Dita Com #4			<u> </u>				
34-300	Rita Com #1 Salazar G	NM-31	Chaco	510	2086.1	0.24	5.76	TC
94-722			.					
54122	COIII 20 # 1	NM-31	Chaco	594	1002.4	0.59	14.16	TC
		Ì						
			579 AN	77 Pt 20 0		<u> </u>		
			DECO	1 1993				
								
			OIL CO	ON. D	V.			
DIST. 3								

TC = Time Calculated Volume (Hourly)

AV = Agreed Upon Volume (Daily)

ACCEPTED	BY:	
ACCEPTED	BY:	