

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico  
Energy, Minerals & Natural Resources Department

26N-12  
26N-13  
Form C-136  
Originated 12/23/91

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

OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

Submit original and 4 copies to the  
appropriate district office.

DISTRICT III  
1000 Rio Brazos Road, Aztec, NM 87410

**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 SF-080238A Federal X Fee       
Location: See Attachment P-02-26-13  
Pool: WAW Fruitland Sand Pictued Cliffs  
Requested Effective Time Period: Beginning      Ending     

**APPROVAL PROCEDURE: RULE 403.B.(1)**

Please attach a separate sheet with the following information.

- 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 5000 cubic feet or more).
- 5) The gas transporter(s) connected to each well.

**RECEIVED**  
FEB 27 1992

**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.

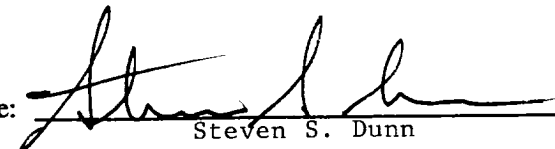
**OIL CON. DIV. I**  
**DIST. 3**

- 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.**


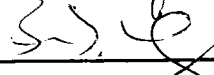
**OPERATOR**

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:   
Printed Name & Title: Steven S. Dunn  
Operations Manager  
2/26/92

**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:   
By:   
Title: SUPERVISOR DISTRICT # 3

**ATTACHMENT TO C-136**

**CHACO 4**

SF-080238A

(D) Section 7, T26N, R12W  
San Juan County, New Mexico

API: 30-045-22410

WAW Fruitland Sand Pictured Cliffs

**CHACO 5**

SF-080238A

(P) Section 2, T26N, R13W  
San Juan County, New Mexico

API: 30-045-22411

WAW Fruitland Sand Pictured Cliffs

**CHACO LIMITED 2J**

SF-080238A

(B) Section 1, T26N, R13W  
San Juan County, New Mexico

API: 30-045-23593

WAW Fruitland Sand Pictured Cliffs

DATE: 1-3-92

REV DATE: \_\_\_\_\_

ATTACHMENT  
ALTERNATIVE METHOD

LOW FLOW WELL LISTING

Operator Code 5997  
Operator Name Merron Oil & Gas Corp.

METER NO.	WELL NAME	STATE	AREA LOCATION	TEST PERIOD MCF	TEST PERIOD FLOW HRS	TIME CALC. HOURLY RATE MCF	AGREED VOLUME DAILY RATE MCF	WELL VOLUME CLOSED CONDITIONS
74-680	John F Brown #	NM-31	Chaco	452	1538	0.29	6.96	TC
89-623	Jicarilla Contract 429	NM-31	Chaco	1903	3218.9	0.59	14.16	TC
89-974	Choco Meter Run #5	NM-31	Chaco	1209	3939	0.3	7.2	TC
90-044	Chaco #4	NM-31	Chaco	2525	2901	0.35	8.4	TC
* 90-219	Bartelsville #1	NM-31	Chaco	381	3161	0.12	2.88	AV * Code 08
90-846	Frew Federal #15	NM-31	Chaco	2462	6069.1	0.4	9.6	TC
92-027	Rocky Mountain #1	NM-31	Chaco	915	3771.2	0.24	5.76	TC
92-048	Megaoyte Com #1 DK	NM-31	Chaco	3983	6366.9	0.62	14.88	TC
93-017	Chaco Limited 2 J	NM-31	Chaco	989	4165.7	0.23	5.52	TC
93-107	Hi-Roller #1R	NM-31	Chaco	166	1367.8	0.12	2.88	AV
93-426	Baclano Flats #2 PC	NM-31	Chaco	4119	5068	0.61	14.64	TC
93-472	Baclano Flats #1	NM-31	Chaco	1971	5079.8	0.38	9.12	TC
93-922	East Lindrith #6	NM-31	Chaco	3408	5686.7	0.59	14.16	TC
94-064	Federal 25-26-13 #1	NM-31	Chaco	1941	5397.3	0.35	8.4	TC
94-461	Yarborough Federal #1	NM-31	Chaco	2465	7296	0.33	7.92	TC
94-465	Yarborough Federal B #1	NM-31	Chaco	1417	6109.4	0.23	5.52	TC

AV = Agreed Upon Volume (Daily)

TC = Time Calculated Volume (Hourly)

ACCEPTED BY: \_\_\_\_\_