

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

Submit original and 4 copies to the
appropriate district office.

APPLICATION FOR APPROVAL TO USE AN ALTERNATE GAS MEASUREMENT METHOD

Rule 403.B(1) or (2)

Operator Name: Robert L. Bayless Operator No. (505)326-2659
Operator Address: PO Box 168, Farmington, NM 87499
Lease Name: NM 1061 Type: State XX Federal Fee
Location: NW1/4 SE1/4, S1/2 SE1/4, Section 16, T28N, R10W
Pool: Fulcher Kutz Pictured Cliffs
Requested Effective Time Period: Beginning 3/4/92 Ending 3/4/93

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

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.

- 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: Kevin H. McCord

Printed Name & Title: Kevin H. McCord
Petroleum Engineer

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: Original Signed by FRANK T. CHAVEZ

Title: SUPERVISOR DISTRICT # 3

ATTACHMENT A

ROBERT L. BAYLESS - LOW VOLUME WELL INFORMATION

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WELL: EMPIRE #1
 LOCATION: T28N R10W SEC 16 UNIT 0
 API NUMBER: 30-045-07427
 LEASE NUMBER: NM 1061 (STATE)
 METER NUMBER: 74-511
 POOL: FULCHER KUTZ PICTURED CLIFFS (GAS)

MEASUREMENT METHOD: FLOW DEVICE - TIME CALCULATED VOLUME

ESTABLISHED OR AGREED
 DAILY PRODUCING RATE: 12.3 MCFD

EFFECTIVE TIME PERIOD: 1 YEAR (FROM 3/4/92 TO 3/4/93)

GAS TRANSPORTER: EL PASO NATURAL GAS

1991 C115 PRODUCTION HISTORY:

	OIL (BBLS)	GAS (MCF)	WATER (BBLS)	PRODUCTION DAYS	DAILY (MCFD)
JANUARY	0	0	31	0	0.0
FEBRUARY	0	17	1	21	0.8
MARCH	0	251	1	21	12.0
APRIL	0	402	1	30	13.4
MAY	0	375	1	31	12.1
JUNE	0	314	1	30	10.5
JULY	0	331	2	28	11.8
AUGUST	0	327	1	20	16.4
SEPTEMBER	0	0	0	0	0.0
OCTOBER	0	325	1	31	10.5
NOVEMBER	0	332	1	28	11.9
DECEMBER	0	357	1	31	11.5
1991 TOTAL	0	3031	42	271	

DATE : 1-2-92Page 1 of 1REV DATE: 2-10-92ATTACHMENT
ALTERNATIVE METHOD

LOW FLOW WELL LISTING

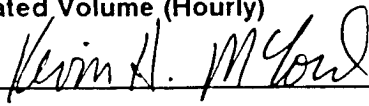
Operator Code 0538
Operator Name R. L. Bayless

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
94-878	AXI D #6	NM-31	Chaco	327	598.3	0.54 -0.49	13.1	TC (1991)
95-179	JICARILLA 362 B #1	NM-31	Chaco	3016	5413.9	0.55	13.2	TC
95-500	JICARILLA 398 B #1	NM-31	Chaco	2498	7563.8	0.33	7.92	(Has Hr. Meter) TC
14-378	Ruby #1 PC FRC	NM-31	Chaco	131	1338.7	0.097	2.34	AV (1991)
90-014	AXI Apache D #5	NM-31	Chaco	2224	7288.9	0.305	7.32	TC (1991)
74-511	Empire #1	NM-31	Chaco	3091	6013.9	0.51	12.3	TC (1991)
14-372	Inez #1 PC FRT	NM-31	Chaco	1170	6690.3	0.174	4.19	AV (1991)

TC = Time Calculated Volume (Hourly)

AV = Agreed Upon Volume (Daily)

ACCEPTED BY :


3/4/92