

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

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

Form C-136
Originated 12/23/91

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: ALPINE OIL & GAS CORPORATION Operator No. 149
Operator Address: P.O. BOX 2567, DURANGO, CO. 81302
Lease Name: JICARILLA 37-B #3 0-24-24-5 Type: State INDIAN Federal X Fee
Location: RIO ARRIBA COUNTY, NEW MEXICO
Pool: BALLARD PC
Requested Effective Time Period: Beginning FEBRUARY 12, 1992 Ending FEBRUARY 12, 1997

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 5 MCF per day or more).
- 5) The gas transporter(s) connected to each well.

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: Thomas B. Grandin Jr.
Printed Name & Title: THOMAS B. GRANDIN, JR.

PRESIDENT

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: 2-12-97
By: Original Signed by FRANK T. CHAVEZ
Title: SUPERVISOR DISTRICT # 3

ALPINE OIL & GAS CORPORATION

LIST OF WELLS FOR ALTERNATIVE GAS MEASUREMENT METHOD - JICARILLA 37-B LEASE

WELL NAME	LOCATION	API NUMBER	METER NO.	FLOW DEVICE	TRANSPORTER
JICARILLA 37-B#1	14P-24N-5W	3003905436	74-480	YES	EL PASO
JICARILLA 37-B#1R	14O-24N-5W	3003921737	90-612	NO	EL PASO
JICARILLA 37-B#3	24O-24N-5W	3003905345	74-318	YES	EL PASO
JICARILLA 37-B#4	25G-24N-5W	3003905305	74-290	YES	EL PASO

PRODUCTION FOR CALENDAR YEAR 1990

METER # WELL NAME	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
74290 JIC 37-B#4	MCF 161 FLOW HRS 669.90 AVG PSIA 132.60 MCF/HR 0.24 MCF/DAY 5.77	159 485.30 142.60 0.33 7.86	250 739.40 133.60 0.34 8.11	232 713.10 142.60 0.33 7.81	227 717.80 156.60 0.32 7.59	217 720.40 164.60 0.30 7.23	200 684.60 172.60 0.29 7.01	254 649.50 186.60 0.39 9.39	203 694.70 171.60 0.29 7.01	212 615.90 170.60 0.34 8.26	212 615.90 170.60 0.34 8.26	176 612.50 136.60 0.29 6.90	2503 7919 156.77 0.32 7.59
74318 JIC 37-B#3	MCF 389 FLOW HRS 735.00 AVG PSIA 133.70 MCF/HR 0.53 MCF/DAY 12.70	345 635.70 141.70 0.54 13.03	342 743.40 133.70 0.46 11.04	317 715.40 140.70 0.44 10.63	351 700.10 150.70 0.50 12.03	365 684.50 164.70 0.53 12.80	305 641.30 171.70 0.48 11.41	228 464.20 183.70 0.49 11.79	381 650.50 170.70 0.59 14.06	350 581.00 171.70 0.60 14.46	350 581.00 171.70 0.60 14.46	390 732.30 136.70 0.53 12.78	4113 7864.4 155.95 0.52 12.55
74480 JIC 37-B#1	MCF 134 FLOW HRS 593.30 AVG PSIA 135.60 MCF/HR 0.23 MCF/DAY 5.42	132 581.50 141.60 0.23 5.45	171 717.30 137.60 0.24 5.72	154 569.60 145.60 0.27 6.49	107 472.40 157.60 0.23 5.44	43 159.10 166.60 0.27 6.49	28 93.80 170.60 0.30 7.16	0 0.00 0.00 #DIV/O! #DIV/O!	114 273.00 168.70 0.42 10.02	65 226.40 172.60 0.29 6.89	65 226.40 172.60 0.29 6.89	97 482.90 142.60 0.20 4.82	1110 4395.7 155.61 0.25 6.06
90612 JIC 37-B#1	MCF 79 FLOW HRS 410.20 AVG PSIA 133.60 MCF/HR 0.19 MCF/DAY 4.62	64 346.20 146.60 0.18 4.44	77 453.20 139.60 0.17 4.08	41 283.00 146.60 0.14 3.48	0 0.00 0.00 #DIV/O! #DIV/O!	0 0.00 0.00 #DIV/O! #DIV/O!	125 689.90 183.60 0.18 4.35	53 299.20 201.60 0.18 4.25	84 610.40 180.60 0.14 3.30	7 46.90 169.60 0.15 3.58	7 46.90 169.60 0.15 3.58	133 677.30 142.60 0.20 4.71	670 3863.2 161.40 0.17 4.16

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ATTACHMENT
ALTERNATIVE METHOD

Operator Code 0108
Operator Name Alpine Oil & Gas Corp.

TC = Time Calculated Volume (Hourly) AV = Agreed Upon Volume (Daily)
ACCEPTED BY: Thomas D. Grandin Jr.
PRESIDENT