State of New Mexico Energy, Minerals & Natural Resources Department

Form C-136 Originated 12/23/91

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

DISTRICT III 1000 Rio Brasos Road, Aztec, NM 87418

Date:

8/11/92

**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: JEROME P. McHUGH	Operator No						
Operator Address: P O BOX 809, Farmington, N.M.	87499						
Lease Name: Hill #1	Type: State Federal X Fee						
Location: Unit A, Sec. 16, T25N, R2W, Ric	Arriba County						
Pool: Gavilan Pictured Cliffs							
Requested Effective Time Period: Beginning Immediate	ly <b>Ending</b> <u>Indefinately</u>						
	URE: RULE 403.B.(1) t with the following information.						
1) A list of the wells (including well name, number, ULSTI	R 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.	DECEIVE III						
	M AUG 2 1992						
N/A  APPROVAL PROCEDURE: RULE 403.B.(2)  AUG 1 2 1992  Please attach a separate sheet with the following information.							
A separate application is required for	with the following information.  or each Central Point Delivery (CPD) OIL CON. DIV.  ust be common for all wells to be connected to District CPD.						
<ol> <li>An ownership plat showing a description of the lease and</li> <li>a) List the wells which will be metered separately, incl</li> <li>b) List the wells which will not be metered separately,</li> </ol>	uding API No.						
2) Describe the proposed method of allocating production i	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.	that the information given above is indicate that re-tests may be necessary to prevent waste and protect						
Signature: <u>Inan Peru</u>	Approved Until:  By:						
Printed Name & Title: Fran Perrin Regulatory Liaison	Title: SUPERVISOR DISTRICT #3						

# JEROME P. McHUGH/NASSAU RESOURCES, INC. P O BOX 809 FARMINGTON, N.M. 87499-0809 505 326-7793 FAX NUMBER 505 327-0859

- 1. Hill #1 Unit A, Sec. 16, T25N, R2W Rio Arriba County, New Mexico API #3003922962
- 2. Production History: See El Paso's Worksheet for 1990 Production (most recent available figures).
- 3. Time calculated hourly rate: See El Paso's Worksheet for 1990 Production (most recent available figures).
- 4. This well will be equipped with a flow device as shown on attached sketch.
- 5. The gas transporter is El Paso Natural Gas.

DATE :	1-22-92		
REV DATE:			

#### ATTACHMENT ALTERNATIVE METHOD

#### LOW FLOW WELL LISTING

Operator Code Operator Name

5954 Mc Hugh, Jerome P.

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
94-661	Hill #1	NM-31	Chaco	2305	6663.5	0.34	8.16	TC
						···		
<del></del>								
<del></del>								

TC = Time Calculated Volume (Hourly)

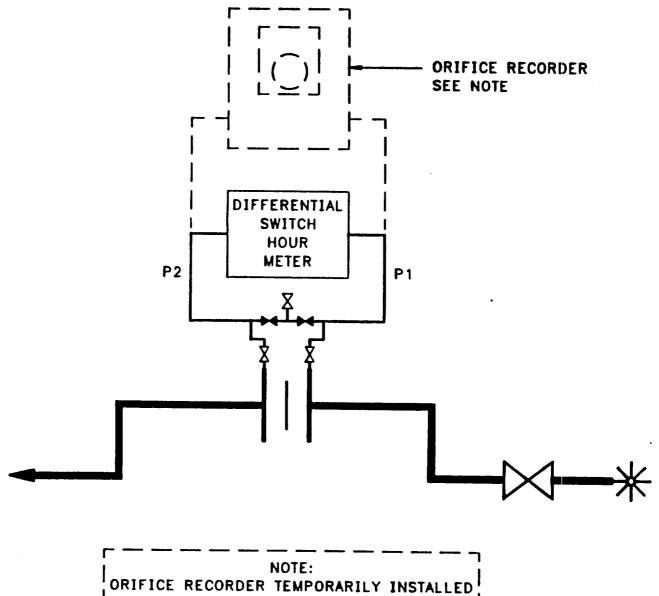
AV = Agreed Upon Volume (Daily)

ACCEPTED BY:

## TIME CALCULATED VOLUME

### ALTERNATIVE METHOD SCHEMATIC

PRIMARY ELEMENT AND DIFFERENTIAL SWITCH/HOUR METER USED FOR FLOW TIME DETECTION AND ANNUAL TEST



ONLY TO CONDUCT 16 DAY ANNUAL TEST