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

Santa Fe, New Mexico 87504-2088

OIL CONSERVATION DIVISION P.O. Box 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: Robert L. Bayless	Operator No. (505)326-2659				
Operator Address: PO Box 168, Farmington, NM 8	7499				
Lease Name: N00-C-14-20-7469 & Lease Hi	Type: State Allotted XX Fee				
Location: NE1/4, Section 33, T26N, R12W					
Pool: WAW Fruitland Sand Pictured Cl	iffs (Gas) and Basin Fruitland Coal (Gas)				
Requested Effective Time Period: Beginning 3/4/92	Ending 3/4/93				
	URE: RULE 403.B.(1) with the following information.				
1) A list of the wells (including well name, number, ULSTF	location, and API No.) included in this application. (A)				
	is application (showing the annual and daily volumes).(A)				
2\ The result 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1					
4) Designate wells to be equipped with a flow device (requi	red for wells capable of producing MCF-rea down as more)(A)				
4) Designate wells to be equipped with a flow device (requise) The gas transporter(s) connected to each well. (A)	DECEIVEN				
	<u> </u>				
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 DISTection.					
 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.	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.				
1/2 1/ MILLO	Approved Until:				
Signature:					
Printed Name & Title: Kevin H. McCord Petroleum Engineer	Title: SUPERVISOR DISTRICT # 3				

ATTACHMENT A

ROBERT L. BAYLESS - LOW VOLUME WELL INFORMATION

WELL:

INEZ #1

LOCATION:

T26N R12W SEC 33 UNIT B

API NUMBER:

30-045-23838 NOO-C-14-20-7469

LEASE NUMBER: METER NUMBER:

14-372

POOL:

WAW FRUITLAND SAND PICTURED CLIFFS (GAS)

& BASIN FRUITLAND COAL (GAS)

MEASUREMENT METHOD:

AGREED VOLUME

ESTABLISHED OR AGREED

DAILY PRODUCING RATE: 4.19 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	Ø	216	 1	 31	7.0
FEBRUARY	Ø	84	i	15	5.6
MARCH	Ø	121	1	21	5.8
APRIL	Ø	64	i	30	2.1
MAY	Ø	125	2	31	4.0
JUNE	Ø	93	2	30	3.1
JULY	Ø	64	1	19	3.4
AUGUST	Ø	65	5	18	3.6
SEPTEMBER	Ø	76	2	27	2.8
OCTOBER	Ø	76	1	28	2.7
NOVEMBER	Ø	33	2	18	1.8
DECEMBER	0	92	1	31	3.0
1991 TOTAL	0	1109	20	299	

DATE: 1-2-92

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REV DATE: 2-10-92

ATTACHMENT ALTERNATIVE METHOD

LOW FLOW WELL LISTING

Operator Code 0538
Operator Name R. L. Bayless

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							AGREED	
						CALC.	VOLUME	
				TEST	TEST	HOURLY		VOLUME
METER	WELL		AREA	PERIOD	PERIOD	RATE	RATE	CLOSED
NO.	NAME	STATE	LOCATION	MCF	FLOW HRS	MCF	MCF	CONDITIONS
04.070	AXI D #6	NM-31	Chaco	327	598.3	0.54 A	13.1	TC (1991)
94-878	JICARILLA	INIVI-S I	Chaco	321	390.3	-0.73	13.1	10 (1991)
95-179	362 B #1	NM-31	Chaco	3016	5413.9	0.55	13.2	тс
	JICARILLA							(Has Hr. Meter)
95-500	398 B #1	NM-31	Chaco	2498	7563.8	0.33	7.92	ŤC
	Ruby #1							
14-378	PC FRC	NM-31	Chaco	131	1338.7	0.097	2.34	AV (1991)
	AXI							
90-014	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)
74-511	Linpiic » i	1111101	101.000	1	00,0.0	0.0.	12.0	10 (1001)
14-372	Inez #1 PC FRT	NM-31	Chaco	1170	6690.3	0.174	4.19	AV (1991)
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TC = Time Calculated _/	,Volume	(Hourly)
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AV = Agreed Upon Volume (Daily)

ACCEPTED BY -

3/4/92