October 17, 1984

BUREAU OF LAND MANAGEMENT.

Bureau of Land Management Caller Service 4104 Farmington, New Mexico 87499 OCT 10 1984

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RE: Gas Flare Application Sandoval County, New Mexico

Gary-Williams Oil Producer, Inc., respectfully submits an application to flare associated produced gas from the following wells in Sandoval County, New Mexico:

> * Taylor #30-8 SE NE Section 30-21N-3W NM 16579 Taylor #29-13 SW SW Section 29-21N-3W NM 29168 * Penistaja #11-1 NE NE Section 11-20N-4W 12 OC 25 1984 DIA. NM 24449 San Isidro #1-16 SE SE section 1-20N-3W NM 37548 San Isidro #15-4 NW NW section 15-20N-3W NM 36936 San Isidro #11-16 SE SE section 11-20N-3W NM 19150 San Isidro #14-4 NW NW Section 14-20N-3W NM 36936 For complete application see San Isidro #12-2 NW NE Section 12-20N-3W NM 36096 San Isidro #12-4 NW NW Section 12-20N-3W

* Lease operations are supplemented periodically with propane. Gas vented is on an intermittent basis.

NM 36096

The total gas presently being vented from the above 9 wells is about 150 mcfpd. Cost to gather, measure, dehydrate and compress the gas to get it into a sales line is estimated at \$1,354,000. Exhibits Number 1 and 2 outline the estimated cost to install the gas sales system and a map showing the possible route of the gas sales system.

This application contains present worth analysis of the oil production Makes (including the cost to drill, complete and equip the wells), gas production (including only the cost on a prorated basis to market the gas), and a combined oil and gas production. The oil and gas price used in this analysis

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