

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

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

DISTRICT III
3000 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: Max D. Webb Operator No. _____
Operator Address: Box 190, Farmington, NM 87499
Lease Name: Federal 27 #7 NM 33043 Type: State _____ Federal X Fee _____
Location: E, Sec 27, 27N, 13W San Juan County, NM (1850' FNL & 790' FWL)
Pool: WAW Fruitland/Pictured Cliff
Requested Effective Time Period: Beginning November 1, 1992 Ending indefinite

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: Katharine Jenkins

Printed Name & Title: Katharine Jenkins, Agent

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: Further notice

By: Original Signed by FRANK T. CHAVEZ

Title: SUPERVISOR DISTRICT # 3

1. Federal 27 #7
Unit Letter E, Sec 27, 27N, 13W
San Juan County, New Mexico
2. Annual production from 7/91 thru 6/92 1296 mcf
Daily production 3.62 mcf
3. Agreed volume 4.32 mcf for a period of one year.
4. Federal 27 #7 will be equipped with regular sales meter for annual production test with the smallest orifice plate beta ratio.
5. El Paso Natural Gas is the transporter for this well.

	6/92	5/92	4/92	3/92	2/92	1/92	12/91	11/91	10/91	9/91	8/91	7/91	
2edend. 31st C Large Produced	235 30	205 31	275 30	269 31	278 29	378 31	17 31	438 30	502 31	311 30	205 26	480 28	3593" 10.04m
2edend 27th C Large Produced	47 30	70 30	86 30	0 31	144 29	433 31	0 31	150 30	120 31	220 30	80 26	321 28	1671m 5.13m
2edend 27th C Large Produced	98 30	85 31	76 30	142 31	132 29	144 31	73 31	100 30	119 31	120 30	39 26	168 28	1296m 3.62m
2edend 27th C Large Produced	340 30	360 31	357 30	333 31	341 29	412 31	159 31	314 30	379 31	313 30	158 26	366 28	3826m 10.69m