Hobbs, NM 88241-1980

<u>District II</u> - (505) 748-1283

811 S. First
Artesia, NM 88210

<u>District III</u> - (505) 334-6178
1000 Rio Brazos Road
Aziec, NM 87410

<u>District IV</u> - (505) 827-7131

Energy Minerals and Natural Resources Department Oil Conservation Division

2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131 SUBMIT ORIGINAL PLUS 2 COPIES TO APPROPRIATE DISTRICT OFFICE

TOIM C-140

Revised 06/99

APPLICATION FOR WELL WORKOVER PROJECT

| I. Operator and Well | | | | | | | | | | | | | |
|--|--|-----------------|--------------|--------------------|------------------------|--------|----------|-------------|-------------------------|---|--|--|--|
| Operato | or name & a | iddress | OGRID N | OGRID Number | | | | | | | | | |
| PHIL | LIPS PE | | | | | | | | | | | | |
| | HWY 64 | | | | | | | | | | | | |
| | | NEW ME | 017654 | | | | | | | | | | |
| Contact Party Phone | | | | | | | | | | | | | |
| | y Clugs | ston | 505-599-3454 | | | | | | | | | | |
| Property Name Well Number API Number San Juan 30-5 Unit 206 30-039-24691 | | | | | | | | | | | | | |
| | | | | | 30-039-24691 | | | | | | | | |
| UL G | Section 18 | Township 30N | Range 5W | Feet From The 2452 | North/South Line North | Feet F | From The | • | Vest Line Ist | County Rio Arriba | | | |
| <u></u> | Worko | | JW . | 2432 | NOLCII | 100 | | Бо | ist | KIO ALLIDA | | | |
| Date Workover Commenced: Previous Producing Pool(s) (Prior to Workover): | | | | | | | | | | | | | |
| 12/4/98 | | | | | | | | | | | | | |
| Date Workover Completed: | | | | | | | | | | | | | |
| 12/9/98 Basin Fruitland Coal | | | | | | | | | | | | | |
| III. Attach a description of the Workover Procedures performed to increase production. | | | | | | | | | | | | | |
| IV. | | | | | | | | | | | | | |
| | least three months of production following the workover reflecting a positive production increase. | | | | | | | | | | | | |
| V. AFFIDAVIT: | | | | | | | | | | | | | |
| _ `` | | | | | | | · | | 1140 | 151111111111111111111111111111111111111 | | | |
| State of New Mexico) | | | | | | | | | | | | | |
| Countral San Juan | | | | | | | | | | | | | |
| | County of San Juan) AUS 0 4 1939 | | | | | | | | | | | | |
| | Patsy Clugston , being first duly swom, upon oath states: | | | | | | | | | | | | |
| 1. I am the Operator, or authorized representative of the Operator, of the above-referenced Well | | | | | | | | | | | | | |
| 2. I have made, or caused to be made, a diligent search of the production records reasonably available for this | | | | | | | | | | | | | |
| Well. | | | | | | | | | | | | | |
| To the best of my knowledge, this application and the data used to prepare the production curve and/or table | | | | | | | | | | | | | |
| | | for this W | ell are c | omplete and acc | urate. | | | | | | | | |
| | | بدار | 01 | . / | | | | | | | | | |
| Signat | ure | Usy | PUS | 7/w | Title Regula | tory | Assista | nt | Dat | e <u>7/30/99</u> | | | |
| SUBSCRIBED AND SWORN To before me this 30th day of July 1999. | | | | | | | | | | | | | |
| | | | | | ١. | | _ | ſ | | OFFICIAL SEAL | | | |
| | | | | | 1 Kill | ran) (| Irment | 7 | SARAR | GILLIAN ARMENTA | | | |
| | | | | | Notary Pu | blic | | | | NUTARY PURITY - NEW MEYICO | | | |
| My Commission expires: | | | | | | | | | | | | | |
| The second of th | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| FOR O | L CONSE | RVATION | DIVISION | I USE ONLY: | | | | | | | | | |
| VI. CERTIFICATION OF APPROVAL: | | | | | | | | | | | | | |
| This Application is hereby approved and the above-referenced well is designated a Well Workover Project and the | | | | | | | | | | | | | |
| Division hereby verifies the data shows a positive production increase. By copy hereof, the Division notifies the | | | | | | | | | | | | | |
| Secretary of the Taxation and Revenue Department of this Approval and certifies that this Well Workover Project was | | | | | | | | | | | | | |
| completed on | | | | | | | | | | | | | |
| | ~pic | | | 100 | • | | | | | | | | |
| Signature District Supervisor OCD District Date | | | | | | | | | | | | | |
| ~.Aa.(6) | - Dauke of | ape: 11301 | - 1 | | CCD DISTIN | ~~ | | Date | 1 1 | | | | |
| | | | کے | (). () | | _> | | 8 | 112/ | 3 <i>9</i> | | | |
| | | | | \rightarrow | <u></u> | | _ | 1 | • • • | | | | |
| VII. | VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: | | | | | | | | | | | | |
| | | | | | | | | | | | | | |

San Juan 30-5 Unit #206 SF- 078994; API # - 30-039-24691 Unit G, 2452' FNL & 1609' FEL Section 18, T30N, R5W; Rio Arriba County, NM

Description of Workover Procedure used to increase production of subject well:

A compressor was installed and the work entailed:

- 1. Taking exiting surface equipment off.
- 2. Replacing old equipment with bigger equipment, (i.e... bigger separator and flow lines).
- 3. Installing compressor manifold.
- 4. Debottlenecking location eliminating any restrictions between wellhead and meter-run.
- 5. Installing compressor and hooking up.

The type of compressor installed is CSI Screw 320 hp. Work began approx. 12/4/98 and was completed 12/09/98.

16 3 MONTHS AFTER - WORK OVER 15 14 5 42 Ξ 9 1 YEAR PRIOR PRODUCTION MONTHS 7 9 2 က α MCF/Month 55,000 - 000'09 35,000 -30,000 25,000 20,000 - 000'59 - 000'09 70,000 40,000

30-5 #206 Workover Production Increase

| API# | 30-5 #206 | MCF/M | lonth | |
|--------------|-----------|-------|--------|--|
| 30-039-24691 | | 1 (| 32,611 | |
| | : | 2 : | 32,185 | |
| | ; | 3 2 | 28,521 | |
| | | 4 (| 31,064 | |
| | : | 5 2 | 28,187 | |
| | | 6 2 | 28,056 | |
| | | 7 2 | 27,474 | |
| | ; | 8 2 | 27,614 | |
| | ! | 9 2 | 22,922 | |
| | 19 | 0 2 | 26,614 | |
| | 1 | 1 2 | 26,543 | |
| | 1: | 2 2 | 24,559 | |
| WORK OVER | 1 | 3 4 | 40,193 | |
| | 1. | 4 (| 65,535 | |
| | 1. | 5 (| 61,509 | |
| | 1 | 6 (| 65,542 | |
| | • | | | |