

District I - (505) 393-6161  
1625 N. French Dr  
Hobbs, NM 88241-1980  
District II - (505) 748-1283  
811 S. First  
Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Road  
Aztec, NM 87410  
District IV - (505) 827-7131

New Mexico  
Energy Minerals and Natural Resources Department

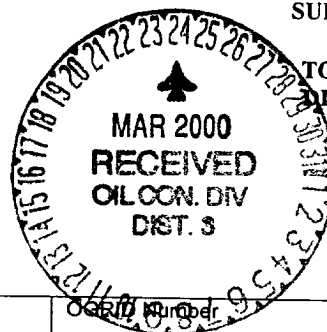
Oil Conservation Division

2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

Form C-140

Revised 06/9

SUBMIT ORIGINAL  
PLUS 2 COPIES  
TO APPROPRIATE  
DISTRICT OFFICE



APPLICATION FOR  
WELL WORKOVER PROJECT

I. Operator and Well

Operator name & address

Cross Timbers Oil Co.  
2700 Farmington Avenue, Building K, Suite 1  
Farmington, NM 87401

Contact Party

Ray Martin

Property Name

FEDERAL GAS COM 3

Well Number

1

API Number

30-045-07973

| UL | Section | Township | Range | Feet From The | North/South Line | Feet From The | East/West Line | County   |
|----|---------|----------|-------|---------------|------------------|---------------|----------------|----------|
| N  | 23      | 29N      | 10W   | 990'          | SOUTH            | 1,650'        | WEST           | SAN JUAN |

II. Workover

Date Workover Commenced:

06/29/99

Previous Producing Pool(s) (Prior to Workover):

Date Workover Completed:

07/02/99

COMPRESSOR INSTALLATION

III. Attach a description of the Workover Procedures performed to increase production.

IV. Attach a production decline curve or table showing at least twelve months of production prior to the workover and at least three months of production following the workover reflecting a positive production increase.

V. AFFIDAVIT:

State of New Mexico )

) ss.

County of San Juan )

Ray Martin

, being first duly sworn, 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.
3. To the best of my knowledge, this application and the data used to prepare the production curve and/or table for this Well are complete and accurate.

Signature

*Ray Martin*

Title Production Engineer

Date 03/22/2000

SUBSCRIBED AND SWORN TO before me this 22nd day of March, 2000

Notary Public

My Commission expires: 6/10/03

FOR OIL CONSERVATION DIVISION 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 7/2/99.

Signature District Supervisor

*[Signature]*

OCD District

3

Date

5/5/00

VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT:

# CROSS TIMBERS OPERATING COMPANY

SAN JUAN DISTRICT

WELL RESTORATION

Tuesday, March 21, 2000

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FEDERAL GAS COM 3

WELL # 1

RESERVOIR: PICTURED CLIFFS

JOB TYPE: Compressor Installation

06/29/1999 MI new SCS WH screw comp & began installation. SDFN.

06/30/1999 Completed installation new SCS WH screw comp Began  
comp prep for start up. SDFN.

07/01/1999 Completed prep for comp start up. SITP 180 psig,  
SICP 240 psig. Std CTOC WH screw comp @ 3:00 p.m.  
7/1/99. Comp down in 5" for EPFS high line press. LP  
@ 300 psig. SWI. SDFN wait on EPFS lower line press.

07/02/1999 SITP 100 psig, SICP 140 psig. Std CTOC WH screw comp  
(CTOC dist tool SJB #1431) @ 9:45 a.m. 7/2/99.

Well: FEDERAL GAS COM 3 No.: 001

Operator: CROSS TIMBERS OPERATING COMPANY API: 3004507973

Township: 29N Range: 10W Section: 23 Unit: N Type: F

County: SaAccumulated Oil: (BBLs) Gas: 41078(MCF) Water: 20(BBLs) Days Produced:1928

Year:1993

Pool Name:AZTEC PICTURED CLIFFS (GAS)

| Month     | Oil(BBLS) | Gas(MCF) | Water(BBL) | Days Produced |
|-----------|-----------|----------|------------|---------------|
| January   | 0         | 1151     | 0          | 31            |
| February  | 0         | 997      | 0          | 28            |
| March     | 0         | 592      | 0          | 30            |
| April     | 0         | 113      | 0          | 30            |
| May       | 0         | 650      | 0          | 31            |
| June      | 0         | 481      | 0          | 30            |
| July      | 0         | 576      | 0          | 31            |
| August    | 0         | 149      | 0          | 11            |
| September | 0         | 636      | 0          | 10            |
| October   | 0         | 1391     | 0          | 29            |
| November  | 0         | 377      | 0          | 30            |
| December  | 0         | 0        | 0          | 0             |

Year:1994

| Month     | Oil(BBLS) | Gas(MCF) | Water(BBL) | Days Produced |
|-----------|-----------|----------|------------|---------------|
| January   | 0         | 0        | 0          | 31            |
| February  | 0         | 0        | 0          | 28            |
| March     | 0         | 0        | 0          | 31            |
| April     | 0         | 332      | 0          | 30            |
| May       | 0         | 927      | 0          | 31            |
| June      | 0         | 358      | 0          | 30            |
| July      | 0         | 261      | 0          | 31            |
| August    | 0         | 195      | 0          | 31            |
| September | 0         | 147      | 0          | 30            |
| October   | 0         | 1265     | 0          | 31            |
| November  | 0         | 695      | 0          | 30            |
| December  | 0         | 2752     | 0          | 31            |

Year:1995

| Month     | Oil(BBLS) | Gas(MCF) | Water(BBL) | Days Produced |
|-----------|-----------|----------|------------|---------------|
| January   | 0         | 1894     | 0          | 31            |
| February  | 0         | 165      | 0          | 28            |
| March     | 0         | 4        | 0          | 31            |
| April     | 0         | 11       | 0          | 30            |
| May       | 0         | 187      | 0          | 18            |
| June      | 0         | 0        | 0          | 0             |
| July      | 0         | 340      | 0          | 0             |
| August    | 0         | 423      | 0          | 31            |
| September | 0         | 662      | 0          | 30            |
| October   | 0         | 570      | 0          | 25            |
| November  | 0         | 231      | 0          | 30            |

|          |   |    |   |    |
|----------|---|----|---|----|
| December | 0 | 29 | 0 | 31 |
|----------|---|----|---|----|

Year:1996

| Month     | Oil(BBLS) | Gas(MCF) | Water(BBL) | Days Produced |
|-----------|-----------|----------|------------|---------------|
| January   | 0         | 616      | 0          | 31            |
| February  | 0         | 451      | 0          | 29            |
| March     | 0         | 415      | 0          | 31            |
| April     | 0         | 378      | 0          | 30            |
| May       | 0         | 449      | 0          | 31            |
| June      | 0         | 315      | 0          | 30            |
| July      | 0         | 523      | 0          | 31            |
| August    | 0         | 730      | 0          | 31            |
| September | 0         | 551      | 0          | 25            |
| October   | 0         | 960      | 0          | 31            |
| November  | 0         | 679      | 0          | 30            |
| December  | 0         | 785      | 0          | 31            |

Year:1997

| Month     | Oil(BBLS) | Gas(MCF) | Water(BBL) | Days Produced |
|-----------|-----------|----------|------------|---------------|
| January   | 0         | 498      | 0          | 31            |
| February  | 0         | 366      | 0          | 28            |
| March     | 0         | 175      | 0          | 31            |
| April     | 0         | 288      | 0          | 30            |
| May       | 0         | 56       | 0          | 31            |
| June      | 0         | 73       | 0          | 28            |
| July      | 0         | 201      | 0          | 31            |
| August    | 0         | 617      | 0          | 31            |
| September | 0         | 613      | 0          | 30            |
| October   | 0         | 753      | 0          | 31            |
| November  | 0         | 601      | 0          | 30            |
| December  | 0         | 238      | 0          | 31            |

Year:1998

| Month     | Oil(BBLS) | Gas(MCF) | Water(BBL) | Days Produced |
|-----------|-----------|----------|------------|---------------|
| January   | 0         | 0        | 0          | 0             |
| February  | 0         | 0        | 0          | 0             |
| March     | 0         | 0        | 0          | 0             |
| April     | 0         | 0        | 0          | 0             |
| May       | 0         | 0        | 0          | 0             |
| June      | 0         | 0        | 0          | 0             |
| July      | 0         | 531      | 0          | 31            |
| August    | 0         | 1180     | 0          | 31            |
| September | 0         | 0        | 0          | 0             |
| October   | 0         | 0        | 0          | 0             |
| November  | 0         | 186      | 0          | 30            |
| December  | 0         | 3        | 0          | 31            |

Year:1999

| Month | Oil(BBLS) | Gas(MCF) | Water(BBL) | Days Produced |
|-------|-----------|----------|------------|---------------|
|-------|-----------|----------|------------|---------------|

|           |   |      |    |    |
|-----------|---|------|----|----|
| January   | 0 | 0    | 0  | 0  |
| Feburary  | 0 | 3    | 0  | 28 |
| March     | 0 | 0    | 0  | 0  |
| April     | 0 | 0    | 0  | 0  |
| May       | 0 | 0    | 0  | 0  |
| June      | 0 | 0    | 0  | 0  |
| July      | 0 | 2819 | 20 | 20 |
| August    | 0 | 2111 | 0  | 31 |
| September | 0 | 2301 | 0  | 30 |
| October   | 0 | 2052 | 0  | 31 |