

District I - (505) 393-6161

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

District II - (505) 748-1283

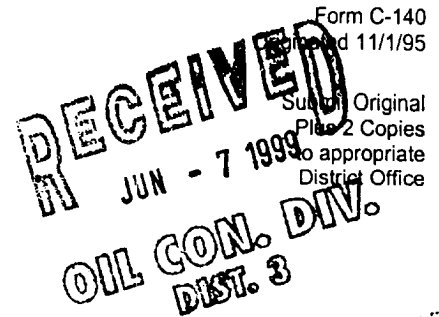
811 S. First
Artesia, NM 88210

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



**APPLICATION FOR
QUALIFICATION OF WELL WORKOVER PROJECT
AND CERTIFICATION OF APPROVAL**

THREE COPIES OF THIS APPLICATION AND ALL ATTACHMENTS MUST BE FILED WITH THE APPROPRIATE DISTRICT OFFICE OF THE OIL CONSERVATION DIVISION.

I. Operator: Burlington Resources OGRID#: 14538

Address: P. O. Box 4289 Farmington, NM 87499

Contact Party: Peggy Bradfield Phone: (505) 326-9700

II. Name of Well: DELHI COM 300 API #: 300452707100

Location of Well:

Unit Letter: PK 1780' FNL, 1500' FWL Section: 16

Township: 030N Range: 008W NMPM, SAN JUAN County.

III. Date Workover Procedures Commenced: 7/98

Date Workover Procedures were Completed: 8/98

IV. Attach a description of the Workover Procedures undertaken to increase the production from the Well.
INSTALL PUMP UNIT

V. Attach an estimate of the production rate of the Well (a production decline curve or other acceptable method, and table showing monthly oil and/or gas Project Production) based on at least twelve (12) months of established production which shows the future rate of production based on well performance prior to performing Workover.

VI. Pool(s) on which Production Projection is based:
BASIN FRUITLAND COAL

VII. AFFIDAVIT:

State of New Mexico)
)ss.
County of San Juan)

Peggy Bradfield, 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 which are reasonably available and contain information relevant to the production history of this Well.
3. To the best of my knowledge, the data used to prepare the Production Projection for this Well is complete and accurate and this projection was prepared using sound petroleum engineering principles.

Peggy Bradfield
(Name)

Regulatory/Compliance Administrator

(Title)

SUBSCRIBED AND SWORN TO before me this 3rd day of June, 19 99.

Mae Benallyon
Notary Public

My Commission expires: 6/9/99

FOR OIL CONSERVATION DIVISION USE ONLY:

VIII. CERTIFICATION OF APPROVAL:

This application for Qualification of a Well Workover Project is hereby approved and the above referenced Well is designated as a Well Workover Project pursuant to the "Natural Gas and Crude Oil Production Incentive Act" (Laws 1995, Chapter 15, Sections 1 through 8). By copy of this Application and Certification of Approval, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval and certifies that this Well Workover Project has been completed as of:

6/1, 19 98.

35.3
District Supervisor, District 3
Oil Conservation Division

Date: 8/4/99

IX. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT.

DATE: _____

Operations Summary Report

Legal Well Name: DE_LHI COM #300

Common Well Name: DE_LHI COM #300

Event Name: FACILITIES

Contractor Name: TJR WELL SERVICE

Rig Name: TJR

Start: 7/30/1998

Rig Release: 7/31/1998

Rig Number: 3

Spud Date: 4/24/1989

End: 7/31/1998

Group:

Date	From - To	Hours	Sub Co	Phase	Code	Description of Operations
7/31/1998	08:30 - 09:30	1.00	MIMO	a	MIRU	ROAD RIG TO LOCATION.
	09:30 - 09:45	0.25	SAFE	a	MIRU	HELD SAFETY MEETING W/ CREW.
	09:45 - 11:45	2.00	RURD	a	MIRU	RIGGED UP RIG AND EQUIPMENT AS IT ARRIVED ON LOCATION. LAID BLOWLINES.
	11:45 - 12:45	1.00	BLOW	a	OBJECT	TOOK WH PRESSURES, SITP= 120#, SICP= 160#, BLEW WELL DN.
	12:45 - 13:00	0.25	KILL	a	OBJECT	KILLED TBG W/ 10 BELS KCL.
	13:00 - 13:45	0.75	NUND	a	OBJECT	ND WH, NU BOP. RU FLOOR AND TOOLS.
	13:45 - 14:00	0.25	TRIP	a	OBJECT	TIH, TAG 6' OF SOFT FILL.
	14:00 - 15:45	1.75	COUT	a	OBJECT	CO W/ AIR MIST TO FBTD @ 2629'. CIRCULATED AND RAN 2 SWEEPS UNTIL CLEAN.
	15:45 - 16:45	1.00	TRIP	a	OBJECT	TOOH AND TALLY 80 JTS OF 2 3/8" TBG.
	16:45 - 17:45	1.00	TRIP	a	OBJECT	PU AND RIH TIN THE FOLLOWING ORDER. (ALL 2 3/8") *PURGE VALVE AND END OF TBG @2624', *1-2' AND 2-8' TBG PUP JTS, *1-4' PERF PUP JT, *STANDARD SEATING NIPPLE @ 2599', *79 JTS OF 2 3/8" TBG, *1-2' PUP JT, *1 MORE JT OF 2 3/8" TBG WHICH MAKES A TOTAL OF 80 JTS IN HOLE.
8/1/1998	17:45 - 18:30	0.75	SHDN	a	OBJECT	LANDED TBG IN HANGER. WILL USE DIFFERENT WH ADAPTOR TOMORROW TO ACCOMADATE 2 7/8" STUFFING BOX.
	06:00 - 07:00	1.00	SRIG	a	OBJECT	LOCKED PINS ON WH, SECURE WH, PUT TOOLS UP, SDFN.
	07:00 - 07:15	0.25	SAFE	a	OBJECT	DROVE TO LOCATION, STARTED RIG.
	07:15 - 07:30	0.25	BLOW	a	OBJECT	HELD SAFETY MEETING W/ CREW.
	07:30 - 08:30	1.00	NUND	a	OBJECT	SICP= 180#, BLEW WELL DN.
	08:30 - 10:00	1.50	PULD	a	OBJECT	ND BOP, NU NEW B1P ADAPTOR, NU PUMPING TEE AND VALVES, NU RADIGON.
	10:00 - 10:30	0.50	NUND	a	OBJECT	PU NEW ENERGY PLMP (2" X 1 1/4" X 8' X 12' RHAC-Z) PU 6' GAS ANCHOR, PU AND TIH W/ 103 - 3/4" GRADE D RODS W/ SPRAYMETAL BOXES PURCHASED FROM DRESSER. SPACED OUT W 1-2' AND 1-6' PONIES, HUNG ON W/ 1 1/4" X 22' POLISHED ROD AND 1 1/2" X 10' POLISH ROD LINER. USED STUFFING BOX THAT PROD DEPT PROVIDED. (ALL WELL HEAD PARTS ARE 2 7/8").
	10:30 - 11:30	1.00	RURD	a	OBJECT	LOADED TBG, HUNG ON LONGSTROKED PUMP, TESTED GOOD.
						RIGGED DOWN RIG AND EQUIPMENT.
						RELEASED RIG @ 11:30 AM 7/31/98.
						*RECEIVED 15 JTS OF 2 3/8" TBG FROM SCHUMACHER #9A, *TRANSFERED 15 JTS OF 2 3/8" TBG TO SEYMOUR #723. **USED NO TBG IN THIS WELL FROM STOCK.
						END OF REPORT.

Delhi Com #300

Month	<u>Oil</u>	<u>Gas</u>
Jul-97	-	23,293
Aug-97	-	23,255
Sep-97	-	19,662
Oct-97	-	16,790
Nov-97	-	17,799
Dec-97	-	18,462
Jan-98	-	9,127
Feb-98	-	12,821
Mar-98	-	13,075
Apr-98	-	12,386
May-98	-	14,333
Jun-98	-	14,587

Expected Production before workover

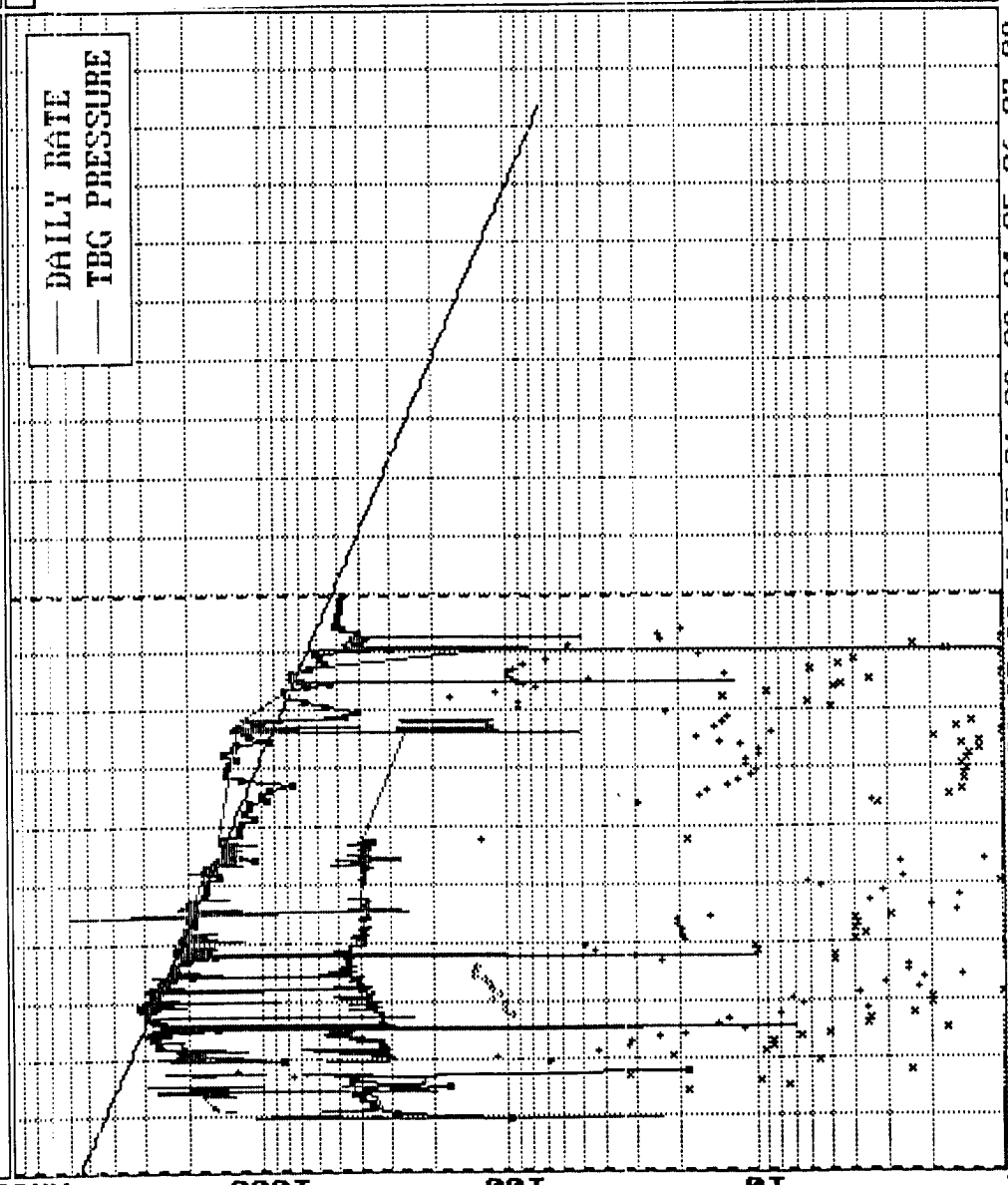
DELHI COM : 300 : 3721A-1

Prop 12096 *

Calculated Pressure

• OIL
• WATER/GAS
• GAS
• WATER

— DAILY RATE
— TBG PRESSURE



Major = GAS

Expected Production

Delhi Com # 300

<u>Month</u>	<u>BBL</u>	<u>MCF</u>		<u>Month</u>	<u>BBL</u>	<u>MCF</u>
8/1/98		17,499		8/1/18		249
9/1/98		17,191		9/1/18		244
10/1/98		16,889		10/1/18		240
11/1/98		16,593		11/1/18		236
12/1/98		16,301		12/1/18		232
1/1/99		16,015		1/1/19		227
2/1/99		15,733		2/1/19		223
3/1/99		15,457		3/1/19		220
4/1/99		15,185		4/1/19		216
5/1/99		14,919		5/1/19		212
6/1/99		14,656		6/1/19		208
7/1/99		14,399		7/1/19		205
8/1/99		14,146		8/1/19		201
9/1/99		13,897		9/1/19		197
10/1/99		13,653		10/1/19		194
11/1/99		13,413		11/1/19		191
12/1/99		13,178		12/1/19		187
1/1/00		12,946		1/1/20		184
2/1/00		12,719		2/1/20		181
3/1/00		12,495		3/1/20		177
4/1/00		12,276		4/1/20		174
5/1/00		12,060		5/1/20		171
6/1/00		11,848		6/1/20		168
7/1/00		11,640		7/1/20		165
8/1/00		11,435		8/1/20		162
9/1/00		11,234		9/1/20		160
10/1/00		11,037		10/1/20		157
11/1/00		10,843		11/1/20		154
12/1/00		10,653		12/1/20		151
1/1/01		10,465		1/1/21		149
2/1/01		10,282		2/1/21		146
3/1/01		10,101		3/1/21		143
4/1/01		9,923		4/1/21		141
5/1/01		9,749		5/1/21		138
6/1/01		9,578		6/1/21		136
7/1/01		9,410		7/1/21		134
8/1/01		9,244		8/1/21		131
9/1/01		9,082		9/1/21		129
10/1/01		8,922		10/1/21		127
11/1/01		8,765		11/1/21		124
12/1/01		8,611		12/1/21		122
1/1/02		8,460		1/1/22		120
2/1/02		8,311		2/1/22		118
3/1/02		8,165		3/1/22		116
4/1/02		8,022		4/1/22		114
5/1/02		7,881		5/1/22		112
6/1/02		7,743		6/1/22		110
7/1/02		7,607		7/1/22		108

Expected Production

Delhi Com # 300

<u>Month</u>	<u>BBL</u>	<u>MCF</u>		<u>Month</u>	<u>BBL</u>	<u>MCF</u>
8/1/02		7,473		8/1/22		106
9/1/02		7,342		9/1/22		104
10/1/02		7,213		10/1/22		102
11/1/02		7,086		11/1/22		101
12/1/02		6,961		12/1/22		99
1/1/03		6,839		1/1/23		97
2/1/03		6,719		2/1/23		95
3/1/03		6,601		3/1/23		94
4/1/03		6,485		4/1/23		92
5/1/03		6,371		5/1/23		90
6/1/03		6,259		6/1/23		89
7/1/03		6,149		7/1/23		87
8/1/03		6,041		8/1/23		86
9/1/03		5,935		9/1/23		84
10/1/03		5,831		10/1/23		83
11/1/03		5,728		11/1/23		81
12/1/03		5,627		12/1/23		80
1/1/04		5,529		1/1/24		79
2/1/04		5,431		2/1/24		77
3/1/04		5,336		3/1/24		76
4/1/04		5,242		4/1/24		74
5/1/04		5,150		5/1/24		73
6/1/04		5,060		6/1/24		72
7/1/04		4,971		7/1/24		71
8/1/04		4,883		8/1/24		69
9/1/04		4,798		9/1/24		68
10/1/04		4,713		10/1/24		67
11/1/04		4,631		11/1/24		66
12/1/04		4,549		12/1/24		65
1/1/05		4,469		1/1/25		63
2/1/05		4,391		2/1/25		62
3/1/05		4,314		3/1/25		61
4/1/05		4,238		4/1/25		60
5/1/05		4,163		5/1/25		59
6/1/05		4,090		6/1/25		58
7/1/05		4,018		7/1/25		57
8/1/05		3,948		8/1/25		56
9/1/05		3,878		9/1/25		55
10/1/05		3,810		10/1/25		54
11/1/05		3,743		11/1/25		53
12/1/05		3,678		12/1/25		52
1/1/06		3,613		1/1/26		51
2/1/06		3,549		2/1/26		50
3/1/06		3,487		3/1/26		50
4/1/06		3,426		4/1/26		49
5/1/06		3,366		5/1/26		48
6/1/06		3,306		6/1/26		47
7/1/06		3,248		7/1/26		46

Expected Production

Delhi Com # 300

<u>Month</u>	<u>BBL</u>	<u>MCF</u>		<u>Month</u>	<u>BBL</u>	<u>MCF</u>
8/1/06		3,191		8/1/26		45
9/1/06		3,135		9/1/26		45
10/1/06		3,080		10/1/26		44
11/1/06		3,026		11/1/26		43
12/1/06		2,973		12/1/26		42
1/1/07		2,921		1/1/27		41
2/1/07		2,869		2/1/27		41
3/1/07		2,819		3/1/27		40
4/1/07		2,769		4/1/27		39
5/1/07		2,721		5/1/27		39
6/1/07		2,673		6/1/27		38
7/1/07		2,626		7/1/27		37
8/1/07		2,580		8/1/27		37
9/1/07		2,534		9/1/27		36
10/1/07		2,490		10/1/27		35
11/1/07		2,446		11/1/27		35
12/1/07		2,403		12/1/27		34
1/1/08		2,361		1/1/28		34
2/1/08		2,320		2/1/28		33
3/1/08		2,279		3/1/28		32
4/1/08		2,239		4/1/28		32
5/1/08		2,199		5/1/28		31
6/1/08		2,161		6/1/28		31
7/1/08		2,123		7/1/28		30
8/1/08		2,085		8/1/28		30
9/1/08		2,049		9/1/28		29
10/1/08		2,013		10/1/28		29
11/1/08		1,977		11/1/28		28
12/1/08		1,943		12/1/28		28
1/1/09		1,909		1/1/29		27
2/1/09		1,875		2/1/29		27
3/1/09		1,842		3/1/29		26
4/1/09		1,810		4/1/29		26
5/1/09		1,778		5/1/29		25
6/1/09		1,747		6/1/29		25
7/1/09		1,716		7/1/29		24
8/1/09		1,686		8/1/29		24
9/1/09		1,656		9/1/29		24
10/1/09		1,627		10/1/29		23
11/1/09		1,599		11/1/29		23
12/1/09		1,570		12/1/29		22
1/1/10		1,543		1/1/30		22
2/1/10		1,516		2/1/30		22
3/1/10		1,489		3/1/30		21
4/1/10		1,463		4/1/30		21
5/1/10		1,437		5/1/30		20
6/1/10		1,412		6/1/30		20
7/1/10		1,387		7/1/30		20

Expected Production

Delhi Com # 300

<u>Month</u>	<u>BBL</u>	<u>MCF</u>		<u>Month</u>	<u>BBL</u>	<u>MCF</u>
8/1/10		1,363		8/1/30		19
9/1/10		1,339		9/1/30		19
10/1/10		1,315		10/1/30		19
11/1/10		1,292		11/1/30		18
12/1/10		1,270		12/1/30		18
1/1/11		1,247		1/1/31		18
2/1/11		1,225		2/1/31		17
3/1/11		1,204		3/1/31		17
4/1/11		1,183		4/1/31		17
5/1/11		1,162		5/1/31		17
6/1/11		1,141		6/1/31		16
7/1/11		1,121		7/1/31		16
8/1/11		1,102		8/1/31		16
9/1/11		1,082		9/1/31		15
10/1/11		1,063		10/1/31		15
11/1/11		1,045		11/1/31		15
12/1/11		1,026		12/1/31		15
1/1/12		1,008		1/1/32		14
2/1/12		991		2/1/32		14
3/1/12		973		3/1/32		14
4/1/12		956		4/1/32		14
5/1/12		939		5/1/32		13
6/1/12		923		6/1/32		13
7/1/12		907		7/1/32		13
8/1/12		891		8/1/32		13
9/1/12		875		9/1/32		12
10/1/12		860		10/1/32		12
11/1/12		844		11/1/32		12
12/1/12		830		12/1/32		12
1/1/13		815		1/1/33		12
2/1/13		801		2/1/33		11
3/1/13		787		3/1/33		11
4/1/13		773		4/1/33		11
5/1/13		759		5/1/33		11
6/1/13		746		6/1/33		11
7/1/13		733		7/1/33		10
8/1/13		720		8/1/33		10
9/1/13		707		9/1/33		10
10/1/13		695		10/1/33		10
11/1/13		683		11/1/33		10
12/1/13		671		12/1/33		10
1/1/14		659		1/1/34		9
2/1/14		647		2/1/34		9
3/1/14		636		3/1/34		9
4/1/14		625		4/1/34		9
5/1/14		614		5/1/34		9
6/1/14		603		6/1/34		9
7/1/14		592		7/1/34		8

Expected Production

Delhi Com # 300

<u>Month</u>	<u>BBL</u>	<u>MCF</u>		<u>Month</u>	<u>BBL</u>	<u>MCF</u>
8/1/14		582		8/1/34		8
9/1/14		572		9/1/34		8
10/1/14		562		10/1/34		8
11/1/14		552		11/1/34		8
12/1/14		542		12/1/34		8
1/1/15		533		1/1/35		8
2/1/15		523		2/1/35		7
3/1/15		514		3/1/35		7
4/1/15		505		4/1/35		7
5/1/15		496		5/1/35		7
6/1/15		487		6/1/35		7
7/1/15		479		7/1/35		7
8/1/15		470		8/1/35		7
9/1/15		462		9/1/35		7
10/1/15		454		10/1/35		6
11/1/15		446		11/1/35		6
12/1/15		438		12/1/35		6
1/1/16		431		1/1/36		6
2/1/16		423		2/1/36		6
3/1/16		416		3/1/36		6
4/1/16		408		4/1/36		6
5/1/16		401		5/1/36		6
6/1/16		394		6/1/36		6
7/1/16		387		7/1/36		5
8/1/16		380		8/1/36		5
9/1/16		374		9/1/36		5
10/1/16		367		10/1/36		5
11/1/16		361		11/1/36		5
12/1/16		354		12/1/36		5
1/1/17		348		1/1/37		5
2/1/17		342		2/1/37		5
3/1/17		336		3/1/37		5
4/1/17		330		4/1/37		5
5/1/17		324		5/1/37		5
6/1/17		319		6/1/37		5
7/1/17		313		7/1/37		4
8/1/17		307		8/1/37		4
9/1/17		302		9/1/37		4
10/1/17		297		10/1/37		4
11/1/17		292		11/1/37		4
12/1/17		286		12/1/37		4
1/1/18		281		1/1/38		4
2/1/18		276		2/1/38		4
3/1/18		272		3/1/38		4
4/1/18		267		4/1/38		4
5/1/18		262		5/1/38		4
6/1/18		258		6/1/38		4
7/1/18		253		7/1/38		4