

District I - (305) 393-6161
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Hobbs, NM 88241-1980
District II - (505) 748-1283
811 S. First
Artesia, NM 88210
District III - (505) 334-6178
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Aztec, NM 87410
District IV

New Mexico
Energy, Mineral & Natural Resources Department
OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

Form C-140
Originated 11/1/95

Submit Original
Plus 2 Copies
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District Office

APPLICATION FOR
QUALIFICATION OF WELL WORKOVER PROJECT
AND CERTIFICATION OF APPROVAL

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

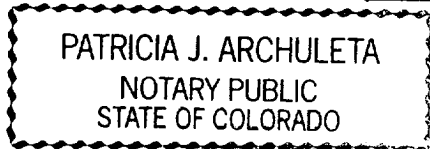
- I. Operator: Amoco Production Company OGRID #: 000778
Address: P.O. Box 800, Denver, Colorado 80201
Contact Party: Nancy I. Whitaker Phone: (303) 830-5039
- II. Name of Well: GALLEGOS CANYON UNIT # 509 API #: 3004528170
Location of Well: Unit Letter D, 978 Feet from the NORTH line and 1148 Feet from the WEST line, Section 28, Township 29N, Range 12W, NMPM, SAN JUAN County.
- III. Date Workover Procedures Commenced: 07/30/96
Date Workover Procedures were Completed: 07/30/96
- IV. Attach a description of the Workover Procedures undertaken to increase the production from the Well.
- 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:
PICTURED CLIFFS
- VII. AFFIDAVIT:
State of Colorado)
County of Denver) ss.
Nancy I. Whitaker, being first duly sworn, upon oath states:
- RECEIVED
SEP - 3 1997
OIL CON. DIV.
DIST. 3
- RECEIVED
JUL 21 1997
OIL CON. DIV.
DIST. 3

Nancy I. Whitaker, 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.

Nancy I. Whitaker
(Name)
Staff Assistant
(Title)

SUBSCRIBED AND SWORN TO before me this 17th day of July, 1997.



Patricia J. Archuleta
Notary Public

My Commission expires: Aug 12, 1999

FOR OIL CONSERVATION DIVISION USE ONLY:

VIII. CERTIFICATION OF APPROVAL:

This Application for Qualification of 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). The Oil Conservation Division hereby verifies the Production Projection for the Well Workover Project attached to this application. 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 7/30, 1996.

SS. J
District Supervisor, District 3
Oil Conservation Division

Date: 1/29/98

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

DATE: _____

THIS WELL HAS BEEN EQUIPPED WITH AMOCO'S ELECTRONIC CONTROL/MONITOR SYSTEM. THE FOLLOWING EQUIPMENT HAS BEEN ADDED AT A COST OF \$ 10,000. PRESSURE TRANSDUCERS, MICRO PROCESSOR, 900 MEGAHERTZ RADIO, SOLAR POWER, ELECTRONIC FLOW, CHOKE CONTROL, VENT CONTROL, TANK AND PIT MONITORING, PLUNGER LIFT CONTROL AND MONITORING, AND COMPRESSOR AND PUMPING UNIT RUNTIME.

THE ADDITION OF THIS EQUIPMENT INCREASES THE CONTROL THAT AMOCO HAS OVER THE OPERATIONS OF THE WELL AND WILL LIKELY SHOW CONTINUAL INCREASES IN PRODUCTION THROUGH THE FOLLOWING ACTIONS.

THE SYSTEM ALLOWS A FIELD TECHNICIAN TO NOT ONLY MONITOR THE OPERATION OF THE WELL, WHILE NOT PHYSICALLY BEING AT THE WELL SITE, BUT TO CHANGE THE OPERATING CRITERIA FOR OPERATION OF THAT WELL TO ENSURE THAT IT IS OPERATING AT MAXIMUM EFFICIENCY. IT ALSO ALLOWS THAT TECHNICIAN TO BRING A WELL WHICH HAS LOGGED OFF BACK ON PRODUCTION MORE RAPIDLY.

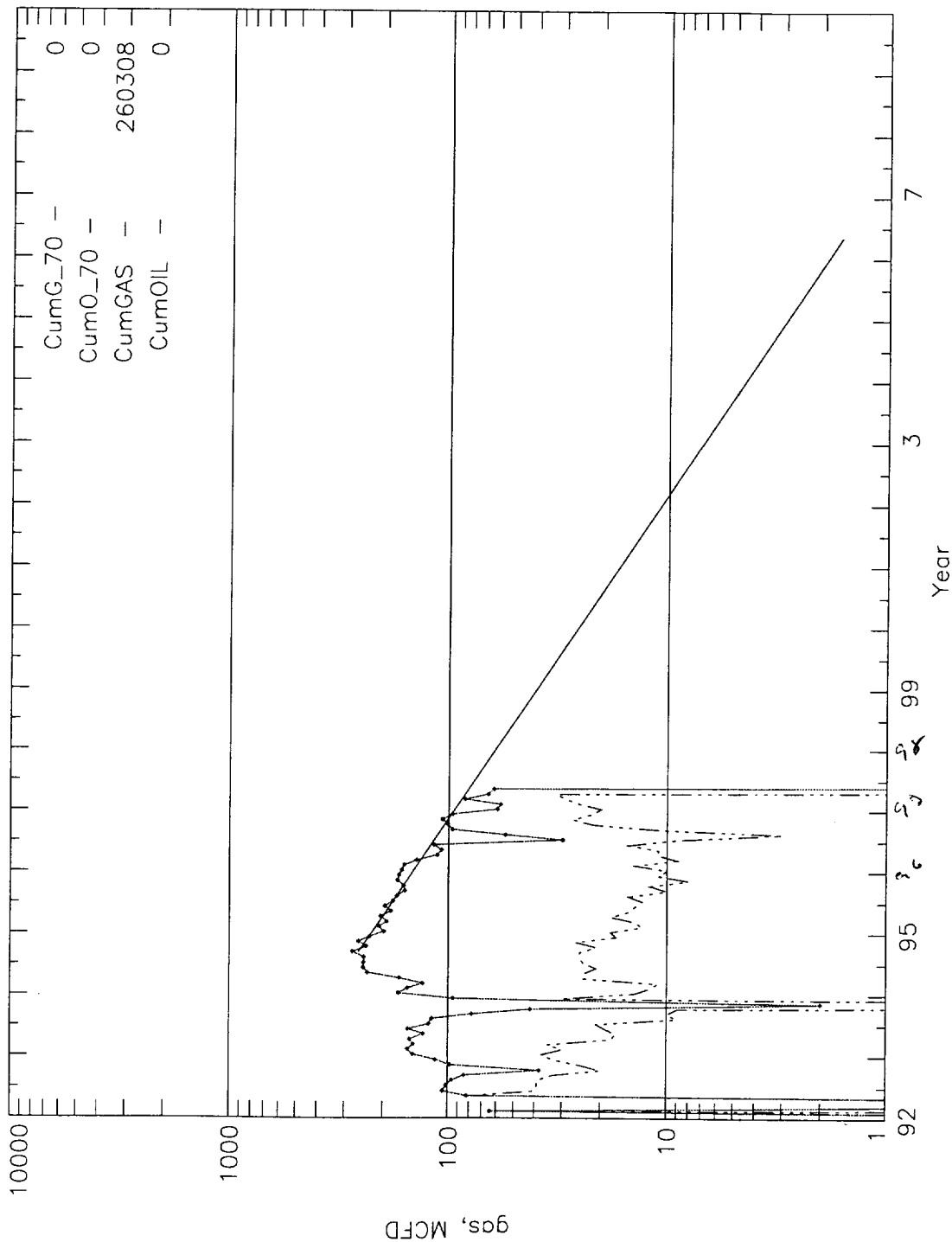
OUR BASE PRODUCTION FOR THIS WELL IS 812 MCF.

zvqp01

Engr: zvqp01

GALLEGOS CANYON UNIT /PIC-CLIFFS/ 509D28 Operator- AMOCO PRODUCTION COMPANY

300452817000 604PCCF 29N 12W 28 APC_WI - 0.249000000



Last Op. Forecast by zmhy01 in 04/1996

WELL DECLINE TABLE TO SEND TO TULSA TAX GROUP		
WELLNAME	GALLEGOS CANYON UNIT	
WELLNO	509	
POOL	PICTURED CLIFFS	
FLAC	88657101	
API	3004528170	
LOCATION	D 28 29N 12W	
MONTH FINALED	7/96	
DECLINE RATE	0.4336	0.4336
Production Months - (Begin with the Month following the Month Finaled)	GAS	OIL
	' Prod. MCF/Month	' Prod. BBL/Month
08/1996	812.0	0.0
09/1996	783.2	0.0
10/1996	755.4	0.0
11/1996	728.6	0.0
12/1996	702.7	0.0
01/1997	677.8	0.0
02/1997	653.7	0.0
03/1997	630.5	0.0
04/1997	608.2	0.0
05/1997	586.6	0.0
06/1997	565.8	0.0
07/1997	545.7	0.0
08/1997	526.3	0.0
09/1997	507.6	0.0
10/1997	489.6	0.0
11/1997	472.2	0.0
12/1997	455.5	0.0
01/1998	439.3	0.0
02/1998	423.7	0.0
03/1998	408.7	0.0
04/1998	394.2	0.0
05/1998	380.2	0.0
06/1998	366.7	0.0
07/1998	353.7	0.0
08/1998	341.1	0.0
09/1998	329.0	0.0
10/1998	317.4	0.0
11/1998	306.1	0.0
12/1998	295.2	0.0
01/1999	284.8	0.0
02/1999	274.7	0.0
03/1999	264.9	0.0

WELLNAME	GALLEGOS CANYON UNIT	
WELLNO	509	
04/1999	255.5	0.0
05/1999	246.4	0.0
06/1999	237.7	0.0
07/1999	229.3	0.0
08/1999	221.1	0.0
09/1999	213.3	0.0
10/1999	205.7	0.0
11/1999	198.4	0.0
12/1999	191.4	0.0
01/2000	184.6	0.0
02/2000	178.0	0.0
03/2000	171.7	0.0
04/2000	165.6	0.0
05/2000	159.7	0.0
06/2000	154.1	0.0
07/2000	148.6	0.0
08/2000	143.3	0.0
09/2000	138.2	0.0
10/2000	133.3	0.0
11/2000	128.6	0.0
12/2000	124.0	0.0
01/2001	119.6	0.0
02/2001	115.4	0.0
03/2001	111.3	0.0
04/2001	107.3	0.0
05/2001	103.5	0.0
06/2001	99.9	0.0
07/2001	96.3	0.0
08/2001	92.9	0.0
09/2001	89.6	0.0
10/2001	86.4	0.0
11/2001	83.4	0.0
12/2001	80.4	0.0
01/2002	77.5	0.0
02/2002	74.8	0.0
03/2002	72.1	0.0
04/2002	69.6	0.0
05/2002	67.1	0.0
06/2002	64.7	0.0
07/2002	62.4	0.0
08/2002	60.2	0.0
09/2002	58.1	0.0
10/2002	56.0	0.0
11/2002	54.0	0.0
12/2002	52.1	0.0
01/2003	50.3	0.0
02/2003	48.5	0.0
03/2003	46.8	0.0
04/2003	45.1	0.0
05/2003	43.5	0.0
06/2003	42.0	0.0
07/2003	40.5	0.0

WELLNAME	GALLEGOS CANYON UNIT	
WELLNO	509	
08/2003	39.0	0.0
09/2003	37.6	0.0
10/2003	36.3	0.0
11/2003	35.0	0.0
12/2003	33.8	0.0
01/2004	32.6	0.0
02/2004	31.4	0.0
03/2004	30.3	0.0
04/2004	29.2	0.0
05/2004	28.2	0.0
06/2004	27.2	0.0
07/2004	26.2	0.0
08/2004	25.3	0.0
09/2004	24.4	0.0
10/2004	23.5	0.0
11/2004	22.7	0.0
12/2004	21.9	0.0
01/2005	21.1	0.0
02/2005	20.4	0.0
03/2005	19.6	0.0
04/2005	18.9	0.0
05/2005	18.3	0.0
06/2005	17.6	0.0
07/2005	17.0	0.0
08/2005	16.4	0.0
09/2005	15.8	0.0
10/2005	15.3	0.0
11/2005	14.7	0.0
12/2005	14.2	0.0
01/2006	13.7	0.0
02/2006	13.2	0.0
03/2006	12.7	0.0
04/2006	12.3	0.0
05/2006	11.8	0.0
06/2006	11.4	0.0
06/2006	11.0	0.0
06/2006	10.6	0.0
06/2006	10.3	0.0
06/2006	9.9	0.0
06/2006	9.5	0.0
06/2006	9.2	0.0
06/2006	8.9	0.0
06/2006	8.6	0.0
06/2006	8.3	0.0
06/2006	8.0	0.0
06/2006	7.7	0.0
06/2006	7.4	0.0
06/2006	7.1	0.0
06/2006	6.9	0.0
06/2006	6.6	0.0
06/2006	6.4	0.0
06/2006	6.2	0.0

WELLNAME	GALLEGOS CANYON UNIT	
WELLNO	509	
06/2006	6.0	0.0
06/2006	5.8	0.0
06/2006	5.5	0.0
06/2006	5.3	0.0
06/2006	5.2	0.0
06/2006	5.0	0.0
06/2006	4.8	0.0
06/2006	4.6	0.0
06/2006	4.5	0.0
06/2006	4.3	0.0
06/2006	4.2	0.0
06/2006	4.0	0.0
07/2006	3.9	0.0
07/2006	3.7	0.0
07/2006	3.6	0.0
07/2006	3.5	0.0
07/2006	3.3	0.0
07/2006	3.2	0.0
07/2006	3.1	0.0
07/2006	3.0	0.0
07/2006	2.9	0.0
07/2006	2.8	0.0
07/2006	2.7	0.0
07/2006	2.6	0.0
07/2006	2.5	0.0
07/2006	2.4	0.0
07/2006	2.3	0.0
07/2006	2.2	0.0
07/2006	2.2	0.0
07/2006	2.1	0.0
07/2006	2.0	0.0
07/2006	1.9	0.0
07/2006	1.9	0.0
07/2006	1.8	0.0
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07/2006	1.6	0.0
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07/2006	1.5	0.0
07/2006	1.5	0.0
07/2006	1.4	0.0
07/2006	1.4	0.0
07/2006	1.3	0.0
08/2006	1.3	0.0
08/2006	1.2	0.0
08/2006	1.2	0.0
08/2006	1.1	0.0
08/2006	1.1	0.0
08/2006	1.1	0.0
08/2006	1.0	0.0
08/2006	1.0	0.0
08/2006	0.9	0.0

WELLNAME	GALLEGOS CANYON UNIT	
WELLNO	509	
08/2006	0.9	0.0
08/2006	0.9	0.0
08/2006	0.8	0.0
08/2006	0.8	0.0
08/2006	0.8	0.0
08/2006	0.8	0.0
08/2006	0.7	0.0
08/2006	0.7	0.0
08/2006	0.7	0.0
08/2006	0.7	0.0
08/2006	0.6	0.0
08/2006	0.6	0.0
08/2006	0.6	0.0
08/2006	0.6	0.0
08/2006	0.5	0.0
08/2006	0.5	0.0
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08/2006	0.5	0.0
08/2006	0.5	0.0
08/2006	0.5	0.0
08/2006	0.4	0.0
08/2006	0.4	0.0
09/2006	0.4	0.0
09/2006	0.4	0.0
09/2006	0.4	0.0
09/2006	0.4	0.0
09/2006	0.4	0.0
09/2006	0.3	0.0
09/2006	0.3	0.0
09/2006	0.3	0.0
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09/2006	0.3	0.0
09/2006	0.3	0.0
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09/2006	0.3	0.0
09/2006	0.2	0.0
09/2006	0.2	0.0
09/2006	0.2	0.0
09/2006	0.2	0.0
09/2006	0.2	0.0
09/2006	0.2	0.0
09/2006	0.2	0.0
09/2006	0.2	0.0
09/2006	0.2	0.0
09/2006	0.2	0.0
09/2006	0.2	0.0
09/2006	0.2	0.0
09/2006	0.2	0.0
09/2006	0.1	0.0
09/2006	0.1	0.0

WELLNAME	GALLEGOS CANYON UNIT	
WELLNO	509	
10/2006	0.1	0.0
10/2006	0.1	0.0
10/2006	0.1	0.0
10/2006	0.1	0.0
10/2006	0.1	0.0
10/2006	0.1	0.0
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10/2006	0.1	0.0
10/2006	0.1	0.0
10/2006	0.1	0.0
10/2006	0.1	0.0
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10/2006	0.1	0.0
10/2006	0.1	0.0
10/2006	0.1	0.0
10/2006	0.1	0.0
10/2006	0.1	0.0
10/2006	0.1	0.0
10/2006	0.1	0.0
10/2006	0.1	0.0
10/2006	0.1	0.0
10/2006	0.1	0.0