

**District I** - (505) 393-6161  
1625 N. French Dr, Hobbs, NM 88240  
**District II** - (505) 748-1283  
1301 W. Grand Avenue, Artesia, NM 88210  
**District III** - (505) 334-6178  
1000 Rio Brazos Road, Aztec, NM 87410  
**District IV** - (505) 476-3440  
1220 S. St. Francis Dr., Santa Fe, NM 87505

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505  
(505) 476-3440

**SUBMIT ORIGINAL  
PLUS 2 COPIES  
TO APPROPRIATE  
DISTRICT OFFICE**

**APPLICATION FOR  
WELL WORKOVER PROJECT**

**I. Operator and Well**

Operator name & address <b>PHILLIPS PETROLEUM COMPANY</b> <b>5525 Hwy. 64</b> <b>Farmington, NM 87401</b>							OGRID Number <b>017654</b>	
Contact Party <b>Patsy Clugston</b>							Phone <b>505-599-3454</b>	
Property Name <b>San Juan 32-7</b>					Well Number <b>#209</b>		API Number <b>30-045-27824</b>	
UL <b>A</b>	Section <b>35</b>	Township <b>32N</b>	Range <b>7W</b>	Feet From The <b>1209</b>	North/South Line <b>North</b>	Feet From The <b>996</b>	East/West Line <b>East</b>	County <b>San Juan</b>

**II. Workover**

Date Workover Commenced: <b>11/3/01</b>	Previous Producing Pool(s) (Prior to Workover): <b>Fruitland Coal</b>
Date Workover Completed: <b>11/5/01</b>	

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 San Juan

) ss.

County of New Mexico

Patsy Clugston, being first duly sworn, upon oath states:

- I am the Operator, or authorized representative of the Operator, of the above-referenced Well.
- 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 Well are complete and accurate.

Signature Patsy Clugston Title Sr. Regulatory Clerk Date June 26, 2002  
SUBSCRIBED AND SWORN TO before me this 26th day of June, 2002.

My Commission expires:  
10-08-2005

Notary Public

Nancy J. Brown  
Notary for State of N.M., San Juan County

**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

11-05, 2001.

Signature District Supervisor <u>Charles T. Kim</u>	OCD District <u>AZTEC III</u>	Date <u>06-28-2002</u>
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DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT:

# Workover Tax Incentive Profile for SJ 32-7 #209

## Workover - Location Debottleneck

API #  
30-045-27824

Month	mcf/month FC	Month	mcf/month FC
Nov-00	30,176		
Dec-00	32,918		
Jan-01	43,705		
Feb-01	40,100		
Mar-01	42,058		
Apr-01	34,239		
May-01	34,924		
Jun-01	39,754		
Jul-01	40,206		
Aug-01	39,129		
Sep-01	39,247		
Oct-01	38,063		
12 month average before workover			37,877
Finished location debottleneck 11/5/01			
3 month average after location debottleneck		Nov-01	32,707
		Dec-01	40,210
		Jan-02	39,951
		Feb-02	37,734
		Mar-02	40,546
		Apr-02	36,816
			<u>37,994</u>

The average of 12 months previous production is still higher than 3 months after the work, but the average of the next 6 months average is higher.

**32-7 #209**  
**Lease #NMSF078543; API # - 30-045-27824**  
**Unit A, 1209 FNL & 996 FEL**  
**Section 35, T32N, R7W, San Juan County, NM**

Description of workover procedure used to increase production of the subject well:

The location was debottlenecked, meaning we replaced small lines and equipment with larger lines and equipment to eliminate flow restrictions between wellhead and meter-run.

21. Taking existing surface equipment off:
22. Replaced old equipment with bigger equipment, (i.e... bigger separator and flow lines).

Work began approx. 11/3/01 and was completed 11/5/01.