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District IV

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
Originated 11/1/95
Submit Original
Plus 2 Copies
to appropriate
District Office

H-0406

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: Mitchell Energy Corporation OGRID #: 015025
Address: P.O. Box 4000, The Woodlands, TX 77387-4000
Contact Party: Mark N. Stephenson Phone: 713-377-5818

II. Name of Well: Watkins "B" Gas Com. Well No. 1 API #: 30-025-27062
Location of Well: Unit Letter K, 1980 Feet from the South line and 1980 feet from the West line,
Section 23, Township 20S, Range 35-E, NMPM, Lea County

III. Date Workover Procedures Commenced: 11-11-97
Date Workover Procedures were Completed: 11-21-97

- 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:

VII. AFFIDAVIT:
State of Texas)
County of Montgomery) ss.

Maryann Fuchs being first duly sworn, upon oath states:

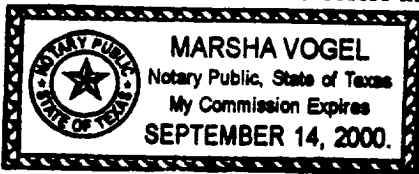
1. I am the Operator or authorized representative of the Operator of the above referenced Well.
2. I have made, or caused to be made, a diligent search of the production records which are reasonably available and contain information relevant to the production history of this Well.
3. To the best of my 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.

Maryann C. Fuchs
(Name)
Staff Reservoir Engineer 713-377-6951
(Title)

JAN 20 1998

my

SUBSCRIBED AND SWORN TO before me this 21 day of January, 1998



Marsha Vogel
Notary Public
Marsha Vogel

My Commission expires: September 14, 2000

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 11-21, 1997

Paul G. Hunt
District Supervisor, District 1
Oil Conservation Division
Date: 1/27/98

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

DATE: _____

