

District I - (505) 393-6161  
P. O. Box 1980  
Hobbs, NM 88241-1980  
District II - (505) 748-1283  
811 S. First  
Aztec, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Road  
Aztec, NM 87410  
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

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: BONNEVILLE FUELS CORPORATION OGRID #: 02678  
Address: 1660 Lincoln Street, Suite 2200, Denver, CO 80264  
Contact Party: Alan L. Merrill Phone: 303 863-1555 x 225
- II. Name of Well: Fullerton Federal # 14-33 API #: 3004528356  
Location of Well: Unit Letter J, 2420 feet from the South line and 1995 feet from the East line,  
Section 14, Township 27N, Range 11W NMPM, San Juan County
- III. Date Workover Procedures Commenced: 1/30/98  
Date Workover Procedures Were Completed: 2/2/98
- IV. Attach a description of the Workover Procedures undertaken to increase the production from the Well.  
See Exhibit A
- 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 production projection 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:  
West Kutz Pictured Cliffs
- VII. AFFIDAVIT:  
State of Colorado )  
County of Denver ) ss. Alan L. Merrill  
Alan L. Merrill, 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.

Alan L. Merrill  
(Name) Alan L Merrill

Operations Engineer  
(Title)

RECEIVED  
APR 15 1998  
OIL CON. DIV.  
DIST. 3

SUBSCRIBED AND SWORN TO before me this 13<sup>th</sup> day of April, 1998.

Detrod C. [Signature]

Notary Public

My Commission expires: 3.30.2000

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 2/2, 1998.

328  
District Supervisor, District 3  
Oil Conservation Division

Date: 5/5/98

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

DATE: \_\_\_\_\_

RECEIVED  
MAY 11 1998  
TAXATION AND REVENUE DEPARTMENT

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

EXHIBIT: 'A'

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

5. Lease Designation and Serial No.  
**SF078094**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.  
**Fullerton Fed. 14-33**

9. API Well No.  
**3004528356**

10. Field and Pool, or Exploratory Area  
**Gallegos Fruitland Sand**

11. County or Parish, State  
**San Juan, NM**

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator  
**Bonneville Fuels Corporation**

3. Address and Telephone No.  
**1660 Lincoln, Suite 2200, Denver, CO 80264 (303) 863-1555**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**2420' FSL, 1995' FEL, Sec 14, T27N R11W**

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
- ☒ Subsequent Report
- ☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
- ☒ Recompletion
- ☐ Plugging Back
- ☐ Casing Repair
- ☐ Altering Casing
- ☒ Other **+ COMMINGLE**
- ☐ Change of Plans
- ☐ New Construction
- ☐ Non-Routine Fracturing
- ☐ Water Shut-Off
- ☐ Conversion to Injection
- ☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent detail, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

1/30/98 MIRU Basin Well Service. Kill well w/25 bbls 3% KCL water. Tag PBTD @ 1848'. TOOH w/2 3/8" 4.7# J-55 tubing, SN & NC. RU WL, GIH & perforate Gallegos Fruitland Sand 1558'-1574' w/ 4japf .55" holes, (total 64 holes). RIH & set RBP @ 1673' & RTTS pkr @ 1493'. Acidize perfs w/250 gal 15% HCL acid plus additives. Flow & swab spent acid water & acid gas to tank. Run 12 hr flow test.

2/2/98 Release RTTS packer & RBP, TOOH. TIH & land 2 3/8" 4.7# J-55 tubing w/SN @ 1823' & bottom of tubing @ 1824'. RDMO Basin Well Service. Turn well to production

2/4/98. Commingle West Kutz PC & Gallegos Fruitland Sand.

14. I hereby certify that the foregoing is true and correct

Signed

Title

**Engineering Technician**

Date

**2/19/98**

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*See instruction on Reverse Side

# Rate/Time Graph

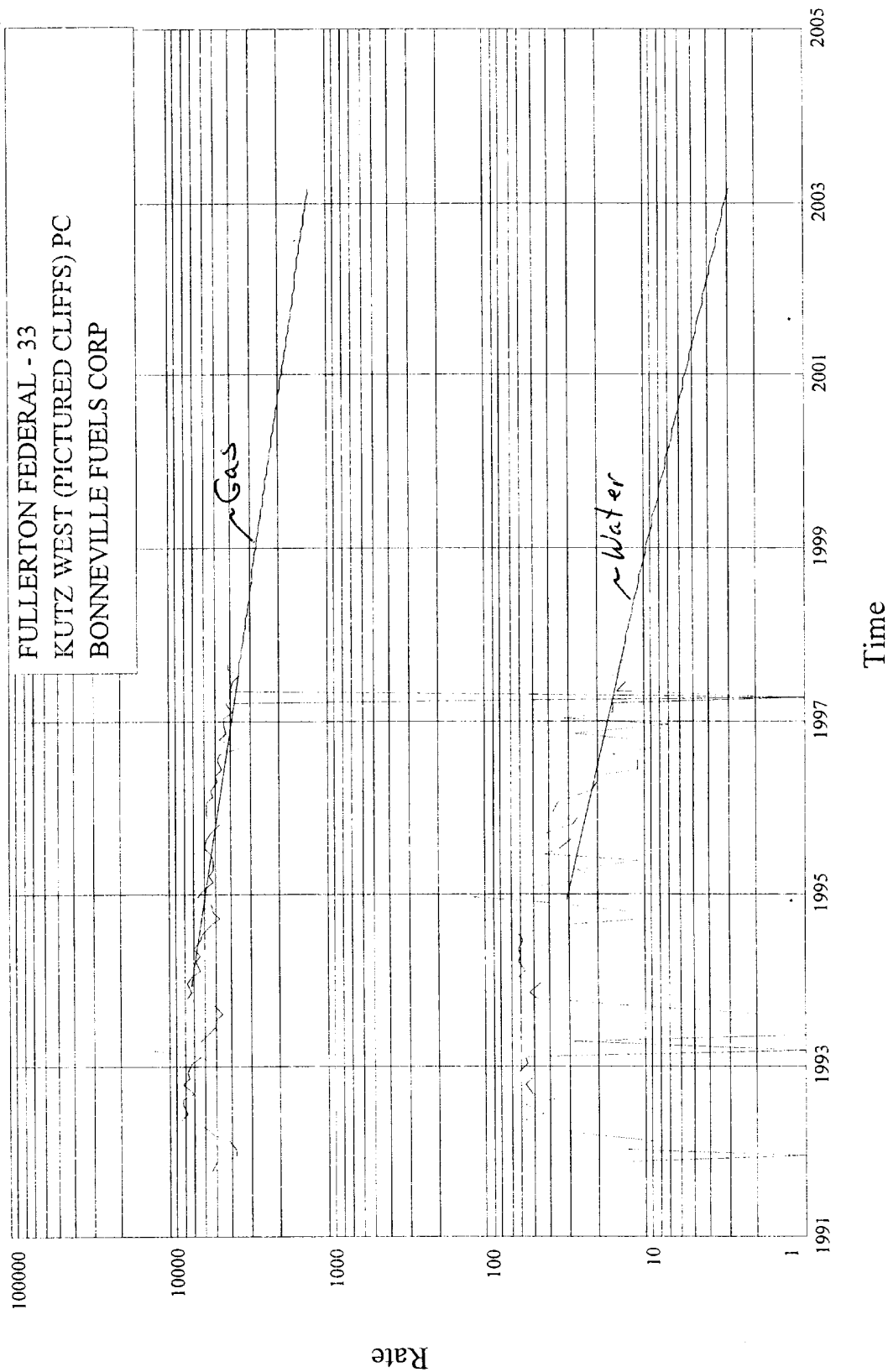
Project: C:\DWIGHTS\PTOOLS25\KUTZ.MDB

Date: 4/9/1998  
Time: 2:55 PM

Lease Name: FULLERTON FEDERAL (43) 14-33  
County, ST: SAN JUAN, NM  
Location: 27N-11W-0 Sec 14

Field Name: KUTZ WEST (PICTURED CLIFFS) PC  
Operator: BONNEVILLE FUELS CORP

Decline: 17.1114%  
IPDATE: 12/93  
IPRATE: 7164  
ENDDATE: 8/97  
ENDRATE: 3600



Date: 4/9/1998

V. Economic Limit Projection

Time: 2:56 PM

# Annual CashFlow Report

Project: CADWIGHTS\PTOOLS25\KUTZ.MDB

Lease Name: FULLERTON FEDERAL (33)  
 County, ST: SAN JUAN, NM  
 Location: 27N-11W-0

Field Name: KUTZ WEST (PICTURED CLIFFS) PC  
 Operator: BONNEVILLE FUELS CORP

| Date         | Well<br>Count | Gross Production |              | Net Production |              | Average Prices  |                 | Sales         |
|--------------|---------------|------------------|--------------|----------------|--------------|-----------------|-----------------|---------------|
|              |               | Oil<br>(Bbl)     | Gas<br>(Mcf) | Oil<br>(Bbl)   | Gas<br>(Mcf) | Oil<br>(\$/Bbl) | Gas<br>(\$/Mcf) | Total<br>(\$) |
| 12/98        | 1             | 0                | 36,425       | 0              | 31,872       | 0.00            | 2.00            | 63,744        |
| 12/99        | 1             | 0                | 30,192       | 0              | 26,418       | 0.00            | 2.00            | 52,837        |
| 12/00        | 1             | 0                | 25,026       | 0              | 21,898       | 0.00            | 2.00            | 43,796        |
| 12/01        | 1             | 0                | 20,744       | 0              | 18,151       | 0.00            | 2.00            | 36,302        |
| 12/02        | 1             | 0                | 17,194       | 0              | 15,045       | 0.00            | 2.00            | 30,090        |
| 03/03        | 1             | 0                | 3,818        | 0              | 3,340        | 0.00            | 2.00            | 6,681         |
| Grand Total: |               | 0                | 133,399      | 0              | 116,724      | 0.00            | 2.00            | 233,449       |

| Date         | Operating<br>Expenses<br>(\$) | Taxes<br>(\$) | Operating<br>Income<br>(\$) | Other<br>Costs<br>(\$) | Periodic<br>Cash Flow<br>(\$) | Cumulative<br>Cash Flow<br>(\$) | 10.00 %<br>Cash Flow<br>(\$) |
|--------------|-------------------------------|---------------|-----------------------------|------------------------|-------------------------------|---------------------------------|------------------------------|
| 12/98        | 24,267                        | 5,100         | 34,377                      | 0                      | 34,377                        | 34,377                          | 32,742                       |
| 12/99        | 24,201                        | 4,227         | 24,409                      | 0                      | 24,409                        | 58,786                          | 21,143                       |
| 12/00        | 24,151                        | 3,504         | 16,141                      | 0                      | 16,141                        | 74,927                          | 12,720                       |
| 12/01        | 24,113                        | 2,904         | 9,284                       | 0                      | 9,284                         | 84,211                          | 6,662                        |
| 12/02        | 24,085                        | 2,407         | 3,597                       | 0                      | 3,597                         | 87,809                          | 2,361                        |
| 03/03        | 6,018                         | 534           | 128                         | 0                      | 128                           | 87,937                          | 79                           |
| Grand Total: | 126,835                       | 18,676        | 87,937                      | 0                      | 87,937                        | 87,937                          | 75,706                       |

**Discount Present Worth:**

|          |        |
|----------|--------|
| 8.00 %   | 77,847 |
| 10.00 %  | 75,706 |
| 20.00 %  | 66,716 |
| 30.00 %  | 59,868 |
| 40.00 %  | 54,496 |
| 50.00 %  | 50,180 |
| 60.00 %  | 46,640 |
| 70.00 %  | 43,686 |
| 80.00 %  | 41,185 |
| 90.00 %  | 39,040 |
| 100.00 % | 37,179 |

**Economic Dates:**

|                  |                  |
|------------------|------------------|
| Effective Date   | 01/1998          |
| Calculated Limit | 03/2003          |
| Economic Life    | 63 Months        |
|                  | 5 Years 3 Months |

**Economics Summary:**

|                  | Bbl Oil | Mcf Gas |
|------------------|---------|---------|
| Ultimate Gross   | 0       | 540,394 |
| Cumulative Gross | 0       | 406,995 |
| Remaining Gross  | 0       | 133,399 |
| Remaining Net    | 0       | 116,724 |

**Economics Information:**

|                               |         |
|-------------------------------|---------|
| Payout:                       | 01/1998 |
| Rate of Return:               | >100 %  |
| Return on Investment:         | 0.00    |
| Initial Division of Interest: |         |

|     |            |       |           |     |          |
|-----|------------|-------|-----------|-----|----------|
| WI: | 100.000000 | Oil:  | 87.500000 | ORI | 0.000000 |
|     |            | Gas:  | 87.500000 |     | 0.000000 |
|     |            | User: | 80.000000 |     | 0.000000 |

Reversion Date: None

# V. Production Projection Table

Fullerton Federal #14-33

PROJECTED PRODUCTION RATES

West Kutz PC

| Date     | Gas       | Oil     |
|----------|-----------|---------|
| (MM/YR)  | (mscf/mo) | (bo/mo) |
| Feb-98   | 3278      | 0.0     |
| Mar-98   | 3227      | 0.0     |
| Apr-98   | 3177      | 0.0     |
| May-98   | 3127      | 0.0     |
| Jun-98   | 3079      | 0.0     |
| Jul-98   | 3031      | 0.0     |
| Aug-98   | 2984      | 0.0     |
| Sep-98   | 2938      | 0.0     |
| Oct-98   | 2892      | 0.0     |
| Nov-98   | 2847      | 0.0     |
| Dec-98   | 2803      | 0.0     |
| Jan-99   | 2760      | 0.0     |
| Feb-99   | 2717      | 0.0     |
| Mar-99   | 2675      | 0.0     |
| Apr-99   | 2633      | 0.0     |
| May-99   | 2592      | 0.0     |
| Jun-99   | 2552      | 0.0     |
| Jul-99   | 2512      | 0.0     |
| Aug-99   | 2473      | 0.0     |
| Sep-99   | 2435      | 0.0     |
| Oct-99   | 2397      | 0.0     |
| Nov-99   | 2360      | 0.0     |
| Dec-99   | 2323      | 0.0     |
| Jan-2000 | 2287      | 0.0     |
| Feb-2000 | 2252      | 0.0     |
| Mar-2000 | 2217      | 0.0     |
| Apr-2000 | 2183      | 0.0     |
| May-2000 | 2149      | 0.0     |
| Jun-2000 | 2115      | 0.0     |
| Jul-2000 | 2082      | 0.0     |
| Aug-2000 | 2050      | 0.0     |
| Sep-2000 | 2018      | 0.0     |
| Oct-2000 | 1987      | 0.0     |
| Nov-2000 | 1956      | 0.0     |
| Dec-2000 | 1926      | 0.0     |
| Jan-2001 | 1896      | 0.0     |
| Feb-2001 | 1867      | 0.0     |
| Mar-2001 | 1838      | 0.0     |
| Apr-2001 | 1809      | 0.0     |
| May-2001 | 1781      | 0.0     |
| Jun-2001 | 1753      | 0.0     |
| Jul-2001 | 1726      | 0.0     |
| Aug-2001 | 1699      | 0.0     |

**Fullerton Federal #14-33****PROJECTED PRODUCTION RATES**

West Lutz PC

| Date     | Gas       | Oil     |
|----------|-----------|---------|
| (MM/YR)  | (mscf/mo) | (bo/mo) |
| Sep-2001 | 1673      | 0.0     |
| Oct-2001 | 1647      | 0.0     |
| Nov-2001 | 1621      | 0.0     |
| Dec-2001 | 1596      | 0.0     |
| Jan-2002 | 1572      | 0.0     |
| Feb-2002 | 1547      | 0.0     |
| Mar-2002 | 1523      | 0.0     |
| Apr-2002 | 1499      | 0.0     |
| May-2002 | 1476      | 0.0     |
| Jun-2002 | 1453      | 0.0     |
| Jul-2002 | 1431      | 0.0     |
| Aug-2002 | 1409      | 0.0     |
| Sep-2002 | 1387      | 0.0     |
| Oct-2002 | 1365      | 0.0     |
| Nov-2002 | 1344      | 0.0     |
| Dec-2002 | 1323      | 0.0     |
| Jan-2003 | 1303      | 0.0     |
| Feb-2003 | 1282      | 0.0     |
| Mar-2003 | 1262      | 0.0     |
| Apr-2003 | 0         | 0.0     |