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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 13-12 API #: 3004529178
Location of Well: Unit Letter E, 1700 Feet from the North line and 860 feet from the East line,
Section 13, Township 27N, Range 11W NMPM, San Juan County

III. Date Workover Procedures Commenced: 9/15/1997
Date Workover Procedures Were Completed: 9/16/1997

V. 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 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:
West Kutz PC

VII. AFFIDAVIT:
State of Colorado)
County of Denver) ss. Alan L. Merrill
County of Denver)

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.

(Name) Alan L Merrill

(Title) Operations Engineer

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

SUBSCRIBED AND SWORN TO before me this 13th day of April, 1998

[Signature]

Notary Public

My Commission expires: 9-30-2000

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 9/16, 1997.

[Signature]
District Supervisor, District 2
Oil Conservation Division

Date: 5/5/98

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

DATE: _____

IV. Workover Procedure

Fullerton Federal #13-12
1700' FNL 860' FNL Sec. 13, T27N, R11W
San Juan County, New Mexico

Objective: Recomplete Fruitland Sand, Commingle With Pictured Cliffs

Procedure:

1. MIRU completion rig, kill well with 3% KCL.
2. NU BOPE.
3. Tag PBTD. TOH w/ 2 3/8" production tubing. Tally production string.
4. MIRU Wireline Unit. Perforate the following interval with a 4" casing gun (.55" hole, 23 gm charge, 120Deg. Phasing):

1464'-1475' 4 JSPF
5. Set retrievable bridge plug at 1515'. Flow test Fruitland Sand.
6. If necessary, break down perfs with 500 gal 7 1/2% HCL. Swab and flow test Fruitland Sand.
7. If necessary, dump 1 sack of sand on bridge plug. Frac down casing with 20,000 gals of 70 quality foam and 20,000# of 20/40 mesh sand per attached schedule.
8. Flow well back immediately.

WHEN APPLICABLE

9. TIH with retrieving tool and jet sand out of hole with nitrogen. Retrieve bridge plug and TOOH.
10. TIH and land production tubing @ approximately 1816'. Swab well in if necessary.
11. Return well to production.

Rate/Time Graph

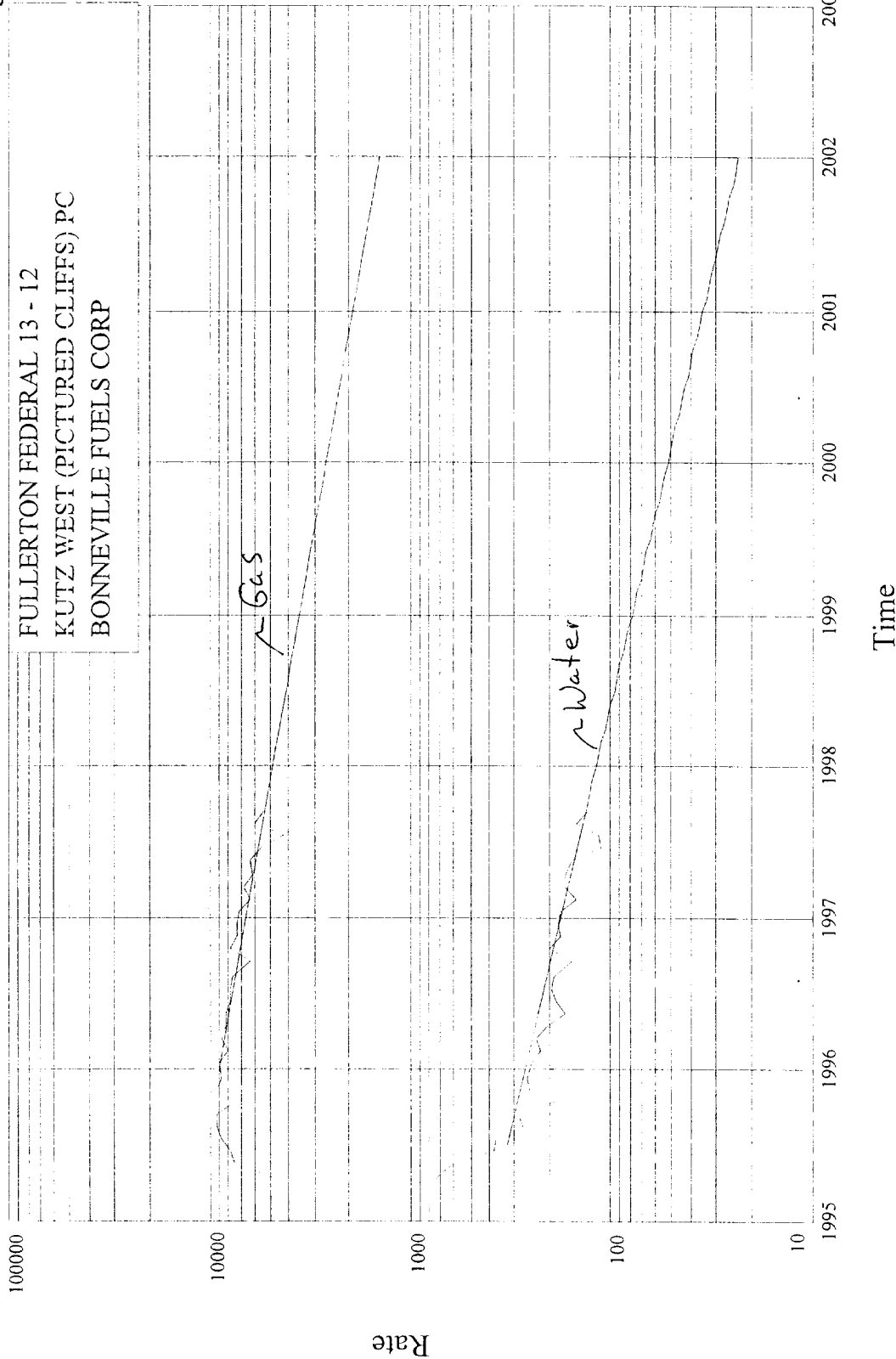
Project: C:\DWIGHTS\PTOOLS25\KUTZ.MDB

Date: 4/7/1998
Time: 1:45 PM

Lease Name: FULLERTON FEDERAL 13 (12)
County, ST: SAN JUAN, NM
Location: 27N-11W-0

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

IP DATE: 1/96
IP RATE: 8967
Decline: 26.5007%
Exponential
END DATE 12/97
END RATE 4970



Decline Curve

Date: 4/7/1998

V Estimate of Economic Limit for Decline Curve

Time: 1:47 PM

Annual CashFlow Report

Project: CADWIGHTS\PTOOLS25\KUTZ.MDB

Lease Name: FULLERTON FEDERAL 13 (12)
 County, ST: SAN JUAN, NM
 Location: 27N-11W-0

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

Date	Well Count	Gross Production		Net Production		Average Prices		Sales
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	Total (\$)
12/97	1	0	20,406	0	16,325	0.00	2.00	32,650
12/98	1	0	50,034	0	40,027	0.00	2.00	80,055
12/99	1	0	36,776	0	29,421	0.00	2.00	58,841
12/00	1	0	27,031	0	21,625	0.00	2.00	43,249
12/01	1	0	19,868	0	15,894	0.00	2.00	31,789
01/02	1	0	1,396	0	1,117	0.00	2.00	2,233
Grand Total:		0	155,511	0	124,408	0.00	2.00	248,817

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10.00 % Cash Flow (\$)
12/97	9,013	2,612	21,025	0	21,025	21,025	20,619
12/98	26,330	6,404	47,320	0	47,320	68,345	43,708
12/99	25,550	4,707	28,584	0	28,584	96,929	24,021
12/00	25,031	3,460	14,758	0	14,758	111,687	11,296
12/01	24,686	2,543	4,560	0	4,560	116,246	3,200
01/02	2,046	179	9	0	9	116,255	6
Grand Total:	112,656	19,905	116,255	0	116,255	116,255	102,850

Discount Present Worth:**Economic Dates:****Economics Summary:**

8.00 %	105,237	Effective Date	09/1997		Bbl Oil	Mcf Gas
10.00 %	102,850	Calculated Limit	01/2002	Ultimate Gross	0	376,336
20.00 %	92,619	Economic Life	53 Months	Cumulative Gross	0	220,825
30.00 %	84,576		4 Years 5 Months	Remaining Gross	0	155,511
40.00 %	78,097			Remaining Net	0	124,409
50.00 %	72,771	Economics Information:				
60.00 %	68,317	Payout:	09/1997			
70.00 %	64,537	Rate of Return:	>100 %			
80.00 %	61,288	Return on Investment:	0.00			
90.00 %	58,465	Initial Division of Interest:				
100.00 %	55,988					

Reversion Date: None

	NRI	ORI
Oil:	87.500000	0.000000
Gas:	80.000000	0.000000
User:	80.000000	0.000000

V Projected Production

Fullerton Federal #13-12

PROJECTED PRODUCTION RATES

West Kutz PC

Date	Gas	Oil
(MM/YR)	(mscf/mo)	(bo/mo)
Oct-97	5232	0.0
Nov-97	5099	0.0
Dec-97	4970	0.0
Jan-98	4844	0.0
Feb-98	4721	0.0
Mar-98	4602	0.0
Apr-98	4485	0.0
May-98	4372	0.0
Jun-98	4261	0.0
Jul-98	4153	0.0
Aug-98	4048	0.0
Sep-98	3945	0.0
Oct-98	3845	0.0
Nov-98	3748	0.0
Dec-98	3653	0.0
Jan-99	3560	0.0
Feb-99	3470	0.0
Mar-99	3382	0.0
Apr-99	3297	0.0
May-99	3213	0.0
Jun-99	3132	0.0
Jul-99	3052	0.0
Aug-99	2975	0.0
Sep-99	2900	0.0
Oct-99	2826	0.0
Nov-99	2755	0.0
Dec-99	2685	0.0
Jan-2000	2617	0.0
Feb-2000	2551	0.0
Mar-2000	2486	0.0
Apr-2000	2423	0.0
May-2000	2362	0.0
Jun-2000	2302	0.0
Jul-2000	2243	0.0
Aug-2000	2187	0.0
Sep-2000	2131	0.0
Oct-2000	2077	0.0
Nov-2000	2025	0.0
Dec-2000	1973	0.0
Jan-2001	1923	0.0
Feb-2001	1875	0.0
Mar-2001	1827	0.0
Apr-2001	1781	0.0
May-2001	1736	0.0
Jun-2001	1692	0.0
Jul-2001	1649	0.0
Aug-2001	1607	0.0
Sep-2001	1566	0.0
Oct-2001	1527	0.0
Nov-2001	1488	0.0
Dec-2001	1450	0.0
Jan-2002	1414	0.0

Feb 2002

0

0

Economic Limit reached after 1/92