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Aztec, NM 87410
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New Mexico
Energy, Minerals & 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 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: Patricia J. Archuleta Phone: (303) 830-5217

II. Name of Well: Gallegos Canyon Unit #11 API #: 3004513354
Location of Well: Unit Letter M, 660 Feet from the South line and 660 Feet from the West line, Section 34, Township 28N, Range 12W, NMPM, San Juan County.

III. Date Workover Procedures Commenced: 2/10/98
Date Workover Procedures were Completed: 2/10/98

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:

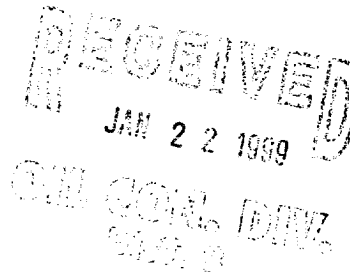
State of Colorado)
) ss.
County of Denver)

Patricia J. Archuleta, being first duly sworn, upon oath states:

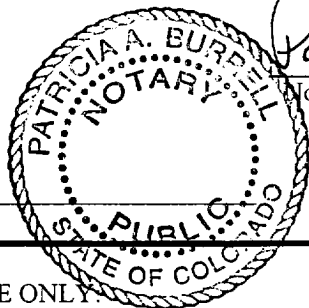
1. I am the Operator or authorized representative of the Operator of the above referenced Well.
2. I have made, or caused to be made, a diligent search of the production records which are reasonably available and contain information relevant to the production history of this Well.
3. To the best of my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

Patricia J. Archuleta
(Name)

Staff Assistant
(Title)



SUBSCRIBED AND SWORN TO before me this 18th day of January, 1999



Patricia A. Burrell
Notary Public

My Commission expires: 11-21-99

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 2/10, 1998.

SS. S.
District Supervisor, District 3
Oil Conservation Division

Date: 3/19/99

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

DATE: _____

GALLEGOS CANYON UNIT #11

3004513354

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.

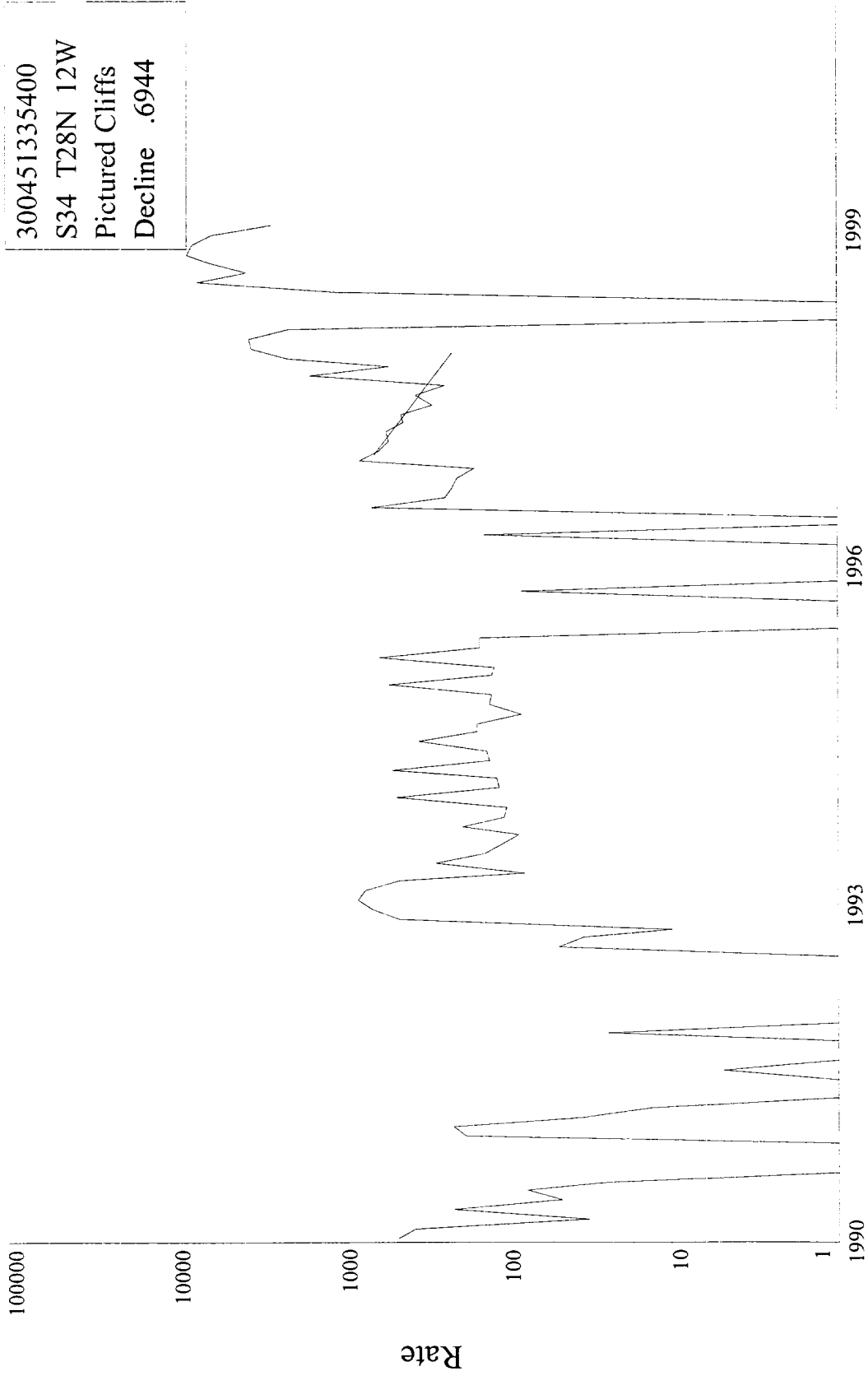
OUR BASE PRODUCTION FOR THIS WELL IS 971 MCF.

Rate/Time Graph

Project: C:\Windows\Temp\rap61C3\RAP00001.mdb

Date: 1/14/1999
Time: 7:58 AM

Lease Name: GALLEGOS CANYON UNIT#11
County, ST: SAN JUAN, NEW MEXICO



WELL DECLINE TABLE TO SEND TO TULSA TAX GROUP		
WELLNAME	Gallegos Canyon Unit	
WELLNO	#11	
FOOL	Pictured Cliffs	
FLAC	88655501	
API	3004513354	
LOCATION	M 34 28N 12W	
MONTH FINALED	2/98	
DECLINE RATE	0.6944	0.6944
Production Months - (Begin with the Month following the Month Finaled)	GAS	OIL
	' Prod. MCF/Month	' Prod. BBL/Month
03/1998	971.0	0.0
04/1998	916.4	0.0
05/1998	864.9	0.0
06/1998	816.3	0.0
07/1998	770.4	0.0
08/1998	727.0	0.0
09/1998	686.2	0.0
10/1998	647.6	0.0
11/1998	611.2	0.0
12/1998	576.8	0.0
01/1999	544.4	0.0
02/1999	513.8	0.0
03/1999	484.9	0.0
04/1999	457.6	0.0
05/1999	431.9	0.0
06/1999	407.6	0.0
07/1999	384.7	0.0
08/1999	363.1	0.0
09/1999	342.7	0.0
10/1999	323.4	0.0
11/1999	305.2	0.0
12/1999	288.0	0.0
01/2000	271.9	0.0
02/2000	256.6	0.0
03/2000	242.1	0.0
04/2000	228.5	0.0
05/2000	215.7	0.0
06/2000	203.6	0.0
07/2000	192.1	0.0

WELLNAME	Gallegos Canyon Unit	
WELLNO	#11	
08/2000	181.3	0.0
09/2000	171.1	0.0
10/2000	161.5	0.0
11/2000	152.4	0.0
12/2000	143.8	0.0
01/2001	135.8	0.0
02/2001	128.1	0.0
03/2001	120.9	0.0
04/2001	114.1	0.0
05/2001	107.7	0.0
06/2001	101.6	0.0
07/2001	95.9	0.0
08/2001	90.5	0.0
09/2001	85.4	0.0
10/2001	80.6	0.0
11/2001	76.1	0.0
12/2001	71.8	0.0
01/2002	67.8	0.0
02/2002	64.0	0.0
03/2002	60.4	0.0
04/2002	57.0	0.0
05/2002	53.8	0.0
06/2002	50.8	0.0
07/2002	47.9	0.0
08/2002	45.2	0.0
09/2002	42.7	0.0
10/2002	40.3	0.0
11/2002	38.0	0.0
12/2002	35.9	0.0
01/2003	33.9	0.0
02/2003	32.0	0.0
03/2003	30.2	0.0
04/2003	28.5	0.0
05/2003	26.9	0.0
06/2003	25.3	0.0
07/2003	23.9	0.0
08/2003	22.6	0.0
09/2003	21.3	0.0
10/2003	20.1	0.0
11/2003	19.0	0.0
12/2003	17.9	0.0
01/2004	16.9	0.0
02/2004	16.0	0.0
03/2004	15.1	0.0
04/2004	14.2	0.0
05/2004	13.4	0.0
06/2004	12.7	0.0
07/2004	11.9	0.0
08/2004	11.3	0.0

WELLNAME	Gallegos Canyon Unit	
WELLNO	#11	
09/2004	10.6	0.0
10/2004	10.0	0.0
11/2004	9.5	0.0
12/2004	8.9	0.0
01/2005	8.4	0.0
02/2005	8.0	0.0
03/2005	7.5	0.0
04/2005	7.1	0.0
05/2005	6.7	0.0
06/2005	6.3	0.0
07/2005	6.0	0.0
08/2005	5.6	0.0
09/2005	5.3	0.0
10/2005	5.0	0.0
11/2005	4.7	0.0
12/2005	4.5	0.0
01/2006	4.2	0.0
02/2006	4.0	0.0
03/2006	3.8	0.0
04/2006	3.5	0.0
05/2006	3.3	0.0
06/2006	3.2	0.0
07/2006	3.0	0.0
08/2006	2.8	0.0
09/2006	2.7	0.0
10/2006	2.5	0.0
11/2006	2.4	0.0
12/2006	2.2	0.0
01/2007	2.1	0.0
02/2007	2.0	0.0
03/2007	1.9	0.0
04/2007	1.8	0.0
05/2007	1.7	0.0
06/2007	1.6	0.0
07/2007	1.5	0.0
08/2007	1.4	0.0
09/2007	1.3	0.0
10/2007	1.3	0.0
11/2007	1.2	0.0
12/2007	1.1	0.0
01/2008	1.1	0.0
02/2008	1.0	0.0