

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 Kio Brazos Road, Aztec, NM 87410  
District IV - (505) 476-3440  
1220 S. St. Francis Dr., Santa Fe, NM 87505

Energy Minerals and Natural Resources Department

Form C-140  
Revised 06/99

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 HYW 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 31-6 Unit</b>					Well Number <b>234R</b>	API Number <b>30-039-25401</b>		
UL <b>M</b>	Section <b>29</b>	Township <b>31N</b>	Range <b>6W</b>	Feet From The <b>1263'</b>	North/South Line <b>South</b>	Feet From The <b>795'</b>	East/West Line <b>West</b>	County <b>Rio Arriba</b>

II. Workover

Date Workover Commenced: <b>10/13/01</b>	Previous Producing Pool(s) (Prior to Workover): <b>Basin Fruitland Coal</b>
Date Workover Completed: <b>10/16/01</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 New Mexico )  
 ) ss.

County of San Juan )

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/Proration Clerk Date July 12, 2002

SUBSCRIBED AND SWORN TO before me this 12<sup>th</sup> day of July, 2002.

My Commission expires: 6/13/2003

Notary Public  
Guante Jaramel

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

10-16, 2001

Signature District Supervisor <u>Charlie T. Lera</u>	OCD District <u>AZTEC III</u>	Date <u>7-19-2002</u>
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VII. DATE OF NOTIFICATION TO THE SECRETARY

# Workover Tax Incentive Profile for SJ 31-6 #234R

Workover - Recaviated well in July 2001 and the installed a Pumping Unit in October of 2001

API #	Month	mcf/month FC	Month	mcf/month FC
30-039-25401	Jan-99	2,383		
	Feb-99	391		
	Mar-99	2,331		
	Apr-99	3,716		
	May-99	2,278		
	Jun-99	170		
	Jul-99	366		
	Aug-99	72		
	Sep-99	58		
	Jul-01	2,588		
	Aug-01	3,377		
	Sep-01	910		
12 month average before workover		1,553		
			Oct-01	268
			Nov-01	5,644
			Dec-01	11,218
			Jan-02	11,251
				7,095

Finished installed punning unit on 10/16/01

**San Juan 31-6 #234R**  
**Lease #NMSF078995; API # - 30-039-25401**  
**Unit # 1264' FSL & 795' FWL**  
**Section 29, T31N, R6W, Rio Arriba County, NM**

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

A pumping unit was installed and the work entailed:

1. Setting a concrete pad.
2. Place the pumping unit on top of the pad.
3. Run fuel gas lines or electrical power to run the engine.
4. MIRU.
5. Pulls the tubing.
6. RIH w/bottomhole assemble.
7. Run RTP (rods, tubing and pump).
8. RD rig and MO.
9. Hook up and return well to production.

Work began approx. 10/13/2001 and was completed 10/16/2001.

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: COAL BED METHANE		8. Well Name and No. SAN JUAN 31-6 UNIT 234R
2. Name of Operator PHILLIPS PETROLEUM COMPANY		9. API Well No. 30-039-25401
3a. Address 5525 HWY. 64 FARMINGTON, NM 87401	3b. Phone No. (include area code) Ph: 505.599.3454 Fx: 505-599-3442	10. Field and Pool, or Exploratory BASIN FRUITLAND COAL
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 29 T31N R6W Mer SWSW 1264FSL 795FWL		11. County or Parish, and State RIO ARRIBA COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION				
<input type="checkbox"/> Notice of Intent <input checked="" type="checkbox"/> Subsequent Report <input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Acidize <input type="checkbox"/> Alter Casing <input type="checkbox"/> Casing Repair <input type="checkbox"/> Change Plans <input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Deepen <input type="checkbox"/> Fracture Treat <input type="checkbox"/> New Construction <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Plug Back	<input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Reclamation <input type="checkbox"/> Recomplete <input type="checkbox"/> Temporarily Abandon <input type="checkbox"/> Water Disposal	<input type="checkbox"/> Water Shut <input type="checkbox"/> Well Integr <input checked="" type="checkbox"/> WRK	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration the If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and z Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 d following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed c testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator h determined that the site is ready for final inspection.)

RECAVITATED WELL AND RETURNED TO PRODUCTION DETAILS. 6/18/01 MIRU Key Energy #18. ND WH & NU BOP. PT- w/7" packer & set @ 3090'. Load tubing annulus w/H2O. PT 7" casing to 500 psi for 30 minutes - good test. COOH w/packer. Rll w/6-1/4" bit & cleaned out fill @ 3270' - 3345' (TD). Rotated, reciprocated and surged well w/air & mist for approx. 21 days. Circ. & conditioned hole. Rll w/5-1/2" 15.5# J-55 liner (270') & set @ 3344' with top of hanger set @ 3068' (44' of overlap into 7" shoe). COOH. RU Blue Jet & perforated liner @ 4 spf .75" holes as follows:

4147'-3155' = 8', 3161'-3167' = 6', 3210'-3217' = 7', 3292'-3301' = 9', 3321'-3331' = 10', 3338'-3342' = 4'. Total 44' = 176 holes total.

RIH w/2-3/8" 4.7# tubing and set @ 3306' and "F" nipple set @ 3279'. ND BOP, NU WH. PT-ok. Pumped off expendable check. released rig 7/18/01. Turned well over to production to put back on line.

14. I hereby certify that the foregoing is true and correct.	
<p align="center"><b>Electronic Submission #5818 verified by the BLM Well Information System For PHILLIPS PETROLEUM COMPANY, sent to the Farmington Committed to AFMSS for processing by Geneva McDougall on 07/19/2001 ()</b></p>	
Name (Printed/Typed) PATSY CLUGSTON	Title AUTHORIZED REPRESENTATIVE
Signature	Date 07/19/2001

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By _____	Title _____	Date <u>Aug 08 2001</u>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office _____	_____ OFFICE

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

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**OPERATOR**