

District I - (505) 393-6161

P. O. Box 1980
Hobbs, NM 88241-1980

District II - (505) 748-1283

811 S. First
Artesia, NM 88210

District III - (505) 334-6178

1000 Rio Brazos Road
Aztec, NM 87410

District IV - (505) 827-7131

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

RECEIVED
OIL CON. DIV.
DIST. 3
MAY 10 1998

**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: Burlington Resources OGRID#: 14538
Address: P. O. Box 4289 Farmington, NM 87499
Contact Party: Peggy Bradfield Phone: (505) 326-9700

II. Name of Well: SCOTT 102 API #: 300452685800
Location of Well:
Unit Letter: B 940' FNL, 1585' FEL Section: 34
Township: 032N Range: 010W NMPM, SAN JUAN County.

III. Date Workover Procedures Commenced: 6/98
Date Workover Procedures were Completed: 6/98

IV. Attach a description of the Workover Procedures undertaken to increase the production from the Well.
UPGRADE SEPARATOR AND FLOWLINES

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:
CEDAR HILL FRUITLAND BASAL COAL

VII. **AFFIDAVIT:**
State of New Mexico)
County of San Juan) ss.

Peggy Bradfield, 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.

(Signature)
Regulatory/Compliance Administrator
(Title)

SUBSCRIBED AND SWORN TO before me this 7th day of May, 19 99.

Mae Benallyson
Notary Public

My Commission expires: 6/9/99

FOR OIL CONSERVATION DIVISION USE ONLY:

VIII. CERTIFICATION OF APPROVAL:

This application for Qualification of a 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). 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:

6/30, 19 98.

SS. J
District Supervisor, District 3
Oil Conservation Division

Date: 9/30/99

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

BURLINGTON RESOURCES

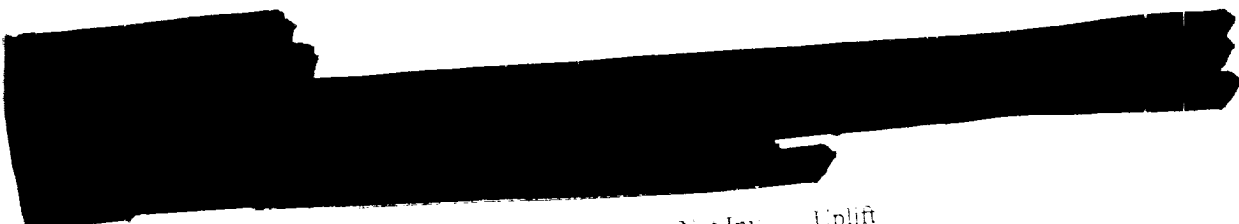
Memorandum

San Juan Division

TO: Rick Munerief
FROM: M.E. Lutes
DATE: June 25, 1998
RE: Scott #102
Unit B, Sec. 34, T32N, R10E
San Juan County, New Mexico
Fruitland Coal

Recommendation

Production Operations recommend that surface facilities be upgraded to optimize the production for the Scott #102. The gross and net cost of this project is 33 MS and 16.5 MS, respectively. This work is essential to optimize production and minimize drainage with the competitive coal production in this area.



P/I	NPV	Payout	Net Inv.	Uplift
(\$/S)	(MS)	(yrs)	(MS)	(Mcfd)
5.6	91.5	35	16.5	404

Discussion

The Scott #102 was drilled and completed in 1988. The subject well is currently producing 1114 Mcfd (3 month average 2/98-4/98). The gas production is currently flowing into an 18" vertical separator. After installation of a 400 Horsepower rental compressor, a separator upgrade is necessary. A 30" bulb separator will allow more water to separate at higher volumes and lower pressures. An estimated uplift of 404 Mcfd was assumed in the economics, which was calculated using the back pressure equation.

Completing the proposed work is essential to maintain current volumes, optimize production, and minimize drainage in this competitive coal production area.

MEL:kg

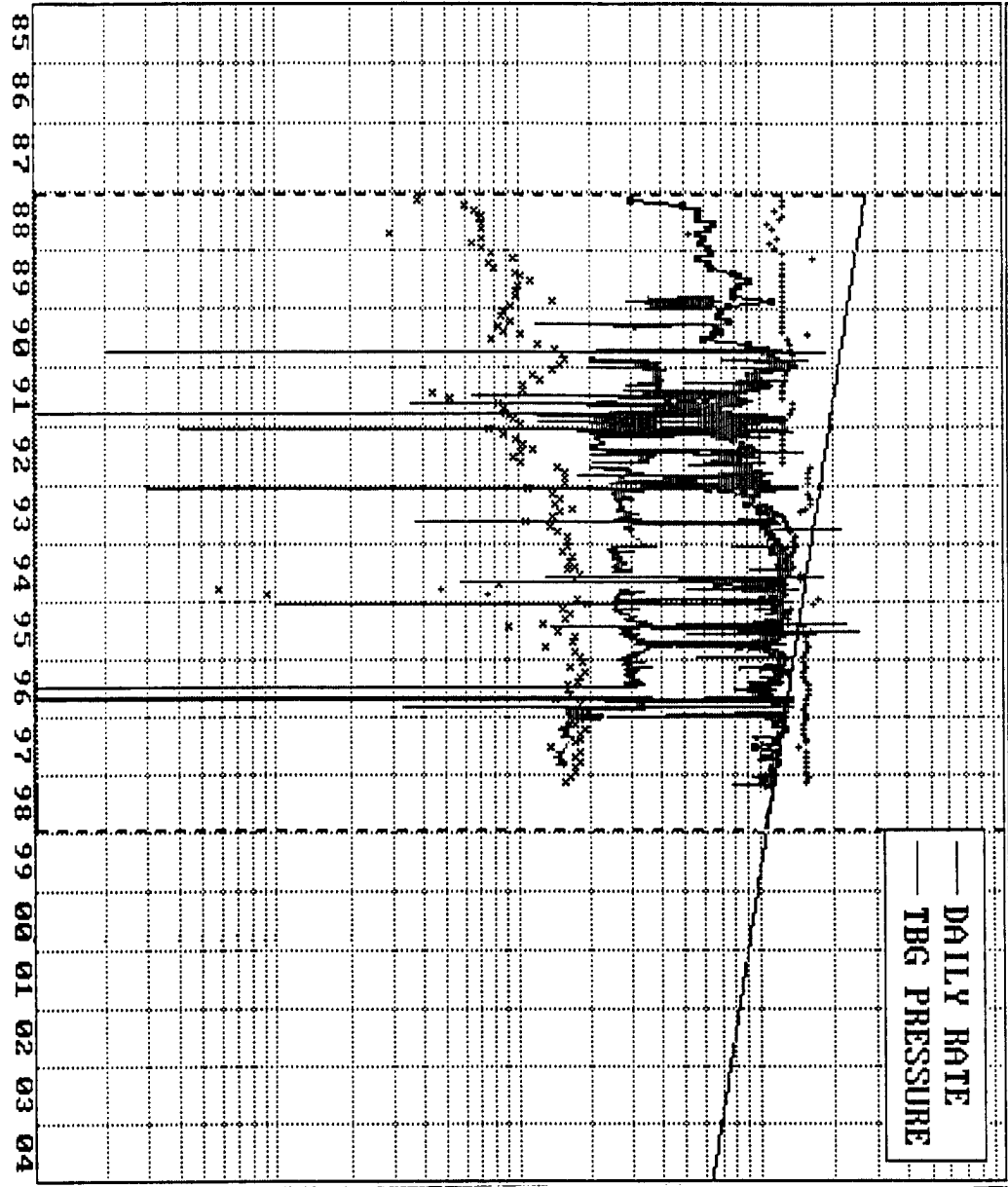
Expected Production Before Workover

SCOTT : 102 : 2825A

Prop 19 *

☐ *WATER Rhs/d

0.1	1	10	100	* OIL
0.1	1	10	100	* WATER/GAS
1	10	100	1000	* GAS
1	10	100	1000	* WATER



Major = GAS

Scott # 102-Fruitland Coal

Month	Gas
May-97	36155
Jun-97	34994
Jul-97	29365
Aug-97	36315
Sep-97	34599
Oct-97	36056
Nov-97	34250
Dec-97	34271
Jan-98	32219
Feb-98	31383
Mar-98	34483
Apr-98	33230

Expected Production Before Workover
SCOTT : 102 : 2825A

Prop 19 *

* OIL
* WATER/GAS
* GAS
* WATER

☐ * WATER Bbls/d
☒ * GAS Mcf/d
☐ * WATER/GAS
☐ * OIL Bbl/d

— DAILY RATE
— TBG PRESSURE

☒ RateTime
☒ Semi Log

EUR 8,194,426

Cum 3,541,945

Rem 4,652,477

Rem% 56.8%

Yrs 43.75

Date 6/1/1996

Act 32,337

Qmo 33,536

Q 1121.5

n 6

De 8.214

Qab 26

GetQual BASH

Major = GAS

85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 00 01 02 03 04

1
1
10
10

10
10
100
100

100
100
1000
1000

Expected Production

Scott # 102

<u>Month</u>	<u>BBL</u>	<u>MCF</u>		<u>Month</u>	<u>BBL</u>	<u>MCF</u>
6/1/98		33,486		6/1/18		7,733
7/1/98		33,282		7/1/18		7,686
8/1/98		33,080		8/1/18		7,639
9/1/98		32,878		9/1/18		7,592
10/1/98		32,678		10/1/18		7,546
11/1/98		32,479		11/1/18		7,500
12/1/98		32,281		12/1/18		7,455
1/1/99		32,085		1/1/19		7,409
2/1/99		31,889		2/1/19		7,364
3/1/99		31,695		3/1/19		7,319
4/1/99		31,502		4/1/19		7,275
5/1/99		31,310		5/1/19		7,230
6/1/99		31,120		6/1/19		7,186
7/1/99		30,930		7/1/19		7,143
8/1/99		30,742		8/1/19		7,099
9/1/99		30,555		9/1/19		7,056
10/1/99		30,369		10/1/19		7,013
11/1/99		30,184		11/1/19		6,970
12/1/99		30,000		12/1/19		6,928
1/1/00		29,818		1/1/20		6,886
2/1/00		29,636		2/1/20		6,844
3/1/00		29,456		3/1/20		6,802
4/1/00		29,276		4/1/20		6,761
5/1/00		29,098		5/1/20		6,719
6/1/00		28,921		6/1/20		6,679
7/1/00		28,745		7/1/20		6,638
8/1/00		28,570		8/1/20		6,597
9/1/00		28,396		9/1/20		6,557
10/1/00		28,223		10/1/20		6,517
11/1/00		28,051		11/1/20		6,478
12/1/00		27,880		12/1/20		6,438
1/1/01		27,711		1/1/21		6,399
2/1/01		27,542		2/1/21		6,360
3/1/01		27,374		3/1/21		6,321
4/1/01		27,208		4/1/21		6,283
5/1/01		27,042		5/1/21		6,245
6/1/01		26,877		6/1/21		6,207
7/1/01		26,714		7/1/21		6,169
8/1/01		26,551		8/1/21		6,131
9/1/01		26,389		9/1/21		6,094
10/1/01		26,229		10/1/21		6,057
11/1/01		26,069		11/1/21		6,020
12/1/01		25,910		12/1/21		5,983
1/1/02		25,752		1/1/22		5,947
2/1/02		25,596		2/1/22		5,911
3/1/02		25,440		3/1/22		5,875
4/1/02		25,285		4/1/22		5,839
5/1/02		25,131		5/1/22		5,803

Expected Production

Scott # 102

<u>Month</u>	<u>BBL</u>	<u>MCF</u>		<u>Month</u>	<u>BBL</u>	<u>MCF</u>
6/1/02		24,978		6/1/22		5,768
7/1/02		24,826		7/1/22		5,733
8/1/02		24,675		8/1/22		5,698
9/1/02		24,525		9/1/22		5,663
10/1/02		24,375		10/1/22		5,629
11/1/02		24,227		11/1/22		5,595
12/1/02		24,079		12/1/22		5,561
1/1/03		23,933		1/1/23		5,527
2/1/03		23,787		2/1/23		5,493
3/1/03		23,642		3/1/23		5,460
4/1/03		23,498		4/1/23		5,426
5/1/03		23,355		5/1/23		5,393
6/1/03		23,213		6/1/23		5,360
7/1/03		23,072		7/1/23		5,328
8/1/03		22,931		8/1/23		5,295
9/1/03		22,792		9/1/23		5,263
10/1/03		22,653		10/1/23		5,231
11/1/03		22,515		11/1/23		5,199
12/1/03		22,378		12/1/23		5,168
1/1/04		22,242		1/1/24		5,136
2/1/04		22,106		2/1/24		5,105
3/1/04		21,972		3/1/24		5,074
4/1/04		21,838		4/1/24		5,043
5/1/04		21,705		5/1/24		5,012
6/1/04		21,573		6/1/24		4,982
7/1/04		21,441		7/1/24		4,951
8/1/04		21,311		8/1/24		4,921
9/1/04		21,181		9/1/24		4,891
10/1/04		21,052		10/1/24		4,861
11/1/04		20,924		11/1/24		4,832
12/1/04		20,797		12/1/24		4,802
1/1/05		20,670		1/1/25		4,773
2/1/05		20,544		2/1/25		4,744
3/1/05		20,419		3/1/25		4,715
4/1/05		20,295		4/1/25		4,687
5/1/05		20,171		5/1/25		4,658
6/1/05		20,048		6/1/25		4,630
7/1/05		19,926		7/1/25		4,601
8/1/05		19,805		8/1/25		4,573
9/1/05		19,684		9/1/25		4,546
10/1/05		19,565		10/1/25		4,518
11/1/05		19,445		11/1/25		4,490
12/1/05		19,327		12/1/25		4,463
1/1/06		19,209		1/1/26		4,436
2/1/06		19,092		2/1/26		4,409
3/1/06		18,976		3/1/26		4,382
4/1/06		18,861		4/1/26		4,355
5/1/06		18,746		5/1/26		4,329

Expected Production

Scott # 102

<u>Month</u>	<u>BBL</u>	<u>MCF</u>		<u>Month</u>	<u>BBL</u>	<u>MCF</u>
6/1/06		18,632		6/1/26		4,303
7/1/06		18,518		7/1/26		4,276
8/1/06		18,405		8/1/26		4,250
9/1/06		18,293		9/1/26		4,224
10/1/06		18,182		10/1/26		4,199
11/1/06		18,071		11/1/26		4,173
12/1/06		17,961		12/1/26		4,148
1/1/07		17,852		1/1/27		4,122
2/1/07		17,743		2/1/27		4,097
3/1/07		17,635		3/1/27		4,072
4/1/07		17,528		4/1/27		4,048
5/1/07		17,421		5/1/27		4,023
6/1/07		17,315		6/1/27		3,998
7/1/07		17,210		7/1/27		3,974
8/1/07		17,105		8/1/27		3,950
9/1/07		17,001		9/1/27		3,926
10/1/07		16,897		10/1/27		3,902
11/1/07		16,794		11/1/27		3,878
12/1/07		16,692		12/1/27		3,855
1/1/08		16,591		1/1/28		3,831
2/1/08		16,490		2/1/28		3,808
3/1/08		16,389		3/1/28		3,785
4/1/08		16,289		4/1/28		3,762
5/1/08		16,190		5/1/28		3,739
6/1/08		16,092		6/1/28		3,716
7/1/08		15,994		7/1/28		3,693
8/1/08		15,896		8/1/28		3,671
9/1/08		15,799		9/1/28		3,648
10/1/08		15,703		10/1/28		3,626
11/1/08		15,608		11/1/28		3,604
12/1/08		15,513		12/1/28		3,582
1/1/09		15,418		1/1/29		3,560
2/1/09		15,324		2/1/29		3,539
3/1/09		15,231		3/1/29		3,517
4/1/09		15,138		4/1/29		3,496
5/1/09		15,046		5/1/29		3,475
6/1/09		14,955		6/1/29		3,453
7/1/09		14,863		7/1/29		3,432
8/1/09		14,773		8/1/29		3,411
9/1/09		14,683		9/1/29		3,391
10/1/09		14,594		10/1/29		3,370
11/1/09		14,505		11/1/29		3,350
12/1/09		14,416		12/1/29		3,329
1/1/10		14,329		1/1/30		3,309
2/1/10		14,241		2/1/30		3,289
3/1/10		14,155		3/1/30		3,269
4/1/10		14,069		4/1/30		3,249
5/1/10		13,983		5/1/30		3,229

Expected Production

Scott # 102

<u>Month</u>	<u>BBL</u>	<u>MCF</u>		<u>Month</u>	<u>BBL</u>	<u>MCF</u>
6/1/10		13,898		6/1/30		3,209
7/1/10		13,813		7/1/30		3,190
8/1/10		13,729		8/1/30		3,170
9/1/10		13,645		9/1/30		3,151
10/1/10		13,562		10/1/30		3,132
11/1/10		13,480		11/1/30		3,113
12/1/10		13,398		12/1/30		3,094
1/1/11		13,316		1/1/31		3,075
2/1/11		13,235		2/1/31		3,056
3/1/11		13,155		3/1/31		3,038
4/1/11		13,074		4/1/31		3,019
5/1/11		12,995		5/1/31		3,001
6/1/11		12,916		6/1/31		2,983
7/1/11		12,837		7/1/31		2,964
8/1/11		12,759		8/1/31		2,946
9/1/11		12,681		9/1/31		2,928
10/1/11		12,604		10/1/31		2,911
11/1/11		12,527		11/1/31		2,893
12/1/11		12,451		12/1/31		2,875
1/1/12		12,375		1/1/32		2,858
2/1/12		12,300		2/1/32		2,840
3/1/12		12,225		3/1/32		2,823
4/1/12		12,151		4/1/32		2,806
5/1/12		12,077		5/1/32		2,789
6/1/12		12,003		6/1/32		2,772
7/1/12		11,930		7/1/32		2,755
8/1/12		11,857		8/1/32		2,738
9/1/12		11,785		9/1/32		2,721
10/1/12		11,713		10/1/32		2,705
11/1/12		11,642		11/1/32		2,688
12/1/12		11,571		12/1/32		2,672
1/1/13		11,501		1/1/33		2,656
2/1/13		11,431		2/1/33		2,640
3/1/13		11,361		3/1/33		2,624
4/1/13		11,292		4/1/33		2,608
5/1/13		11,223		5/1/33		2,592
6/1/13		11,155		6/1/33		2,576
7/1/13		11,087		7/1/33		2,560
8/1/13		11,019		8/1/33		2,545
9/1/13		10,952		9/1/33		2,529
10/1/13		10,886		10/1/33		2,514
11/1/13		10,819		11/1/33		2,498
12/1/13		10,754		12/1/33		2,483
1/1/14		10,688		1/1/34		2,468
2/1/14		10,623		2/1/34		2,453
3/1/14		10,558		3/1/34		2,438
4/1/14		10,494		4/1/34		2,423
5/1/14		10,430		5/1/34		2,409

Expected Production

Scott # 102

<u>Month</u>	<u>BBL</u>	<u>MCF</u>		<u>Month</u>	<u>BBL</u>	<u>MCF</u>
6/1/14		10,367		6/1/34		2,394
7/1/14		10,304		7/1/34		2,379
8/1/14		10,241		8/1/34		2,365
9/1/14		10,178		9/1/34		2,350
10/1/14		10,117		10/1/34		2,336
11/1/14		10,055		11/1/34		2,322
12/1/14		9,994		12/1/34		2,308
1/1/15		9,933		1/1/35		2,294
2/1/15		9,872		2/1/35		2,280
3/1/15		9,812		3/1/35		2,266
4/1/15		9,753		4/1/35		2,252
5/1/15		9,693		5/1/35		2,238
6/1/15		9,634		6/1/35		2,225
7/1/15		9,575		7/1/35		2,211
8/1/15		9,517		8/1/35		2,198
9/1/15		9,459		9/1/35		2,184
10/1/15		9,402		10/1/35		2,171
11/1/15		9,344		11/1/35		2,158
12/1/15		9,288		12/1/35		2,145
1/1/16		9,231		1/1/36		2,132
2/1/16		9,175		2/1/36		2,119
3/1/16		9,119		3/1/36		2,106
4/1/16		9,063		4/1/36		2,093
5/1/16		9,008		5/1/36		2,080
6/1/16		8,953		6/1/36		2,068
7/1/16		8,899		7/1/36		2,055
8/1/16		8,845		8/1/36		2,042
9/1/16		8,791		9/1/36		2,030
10/1/16		8,737		10/1/36		2,018
11/1/16		8,684		11/1/36		2,005
12/1/16		8,631		12/1/36		1,993
1/1/17		8,579		1/1/37		1,981
2/1/17		8,526		2/1/37		1,969
3/1/17		8,475		3/1/37		1,957
4/1/17		8,423		4/1/37		1,945
5/1/17		8,372		5/1/37		1,933
6/1/17		8,321		6/1/37		1,921
7/1/17		8,270		7/1/37		1,910
8/1/17		8,220		8/1/37		1,898
9/1/17		8,170		9/1/37		1,887
10/1/17		8,120		10/1/37		1,875
11/1/17		8,070		11/1/37		1,864
12/1/17		8,021		12/1/37		1,852
1/1/18		7,973		1/1/38		1,841
2/1/18		7,924		2/1/38		1,830
3/1/18		7,876		3/1/38		1,819
4/1/18		7,828		4/1/38		1,808
5/1/18		7,780		5/1/38		1,797