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Hobbs, NM 88241-1980  
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Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Road  
Aztec, NM 87410  
District IV

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 #41 API #: 3004507074

Location of Well: Unit Letter A, 990 Feet from the NORTH line and 990 Feet from the EAST line, Section 32, Township 28N, Range 12W, NMPM, San Juan County.

III. Date Workover Procedures Commenced: 10/24/96  
Date Workover Procedures were Completed: 10/24/96

IV. Attach a description of the Workover Procedures undertaken to increase the projection 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:

FRUITLAND COAL

VII. AFFIDAVIT:

State of Colorado )  
) ss.  
County of Denver )

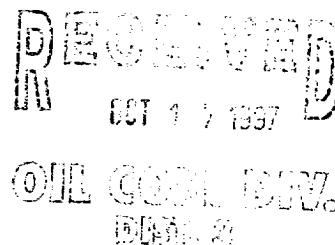
Patricia J. Archuleta, being first duly sworn, upon oath states:

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)

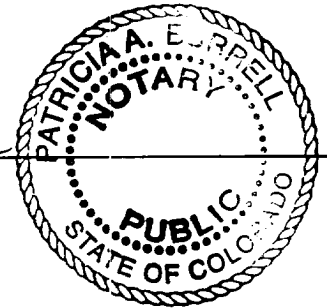
Staff Assistant

(Title)



SUBSCRIBED AND SWORN TO before me this 15<sup>th</sup> day of October, 1997.

Patricia A. Durrall  
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 10/24, 1996.

SSJ  
District Supervisor, District 3  
Oil Conservation Division

Date: 2/6/98

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

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

**GALLEGOS CANYON UNIT #41**

**3004507074**

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 1,540 MCF.

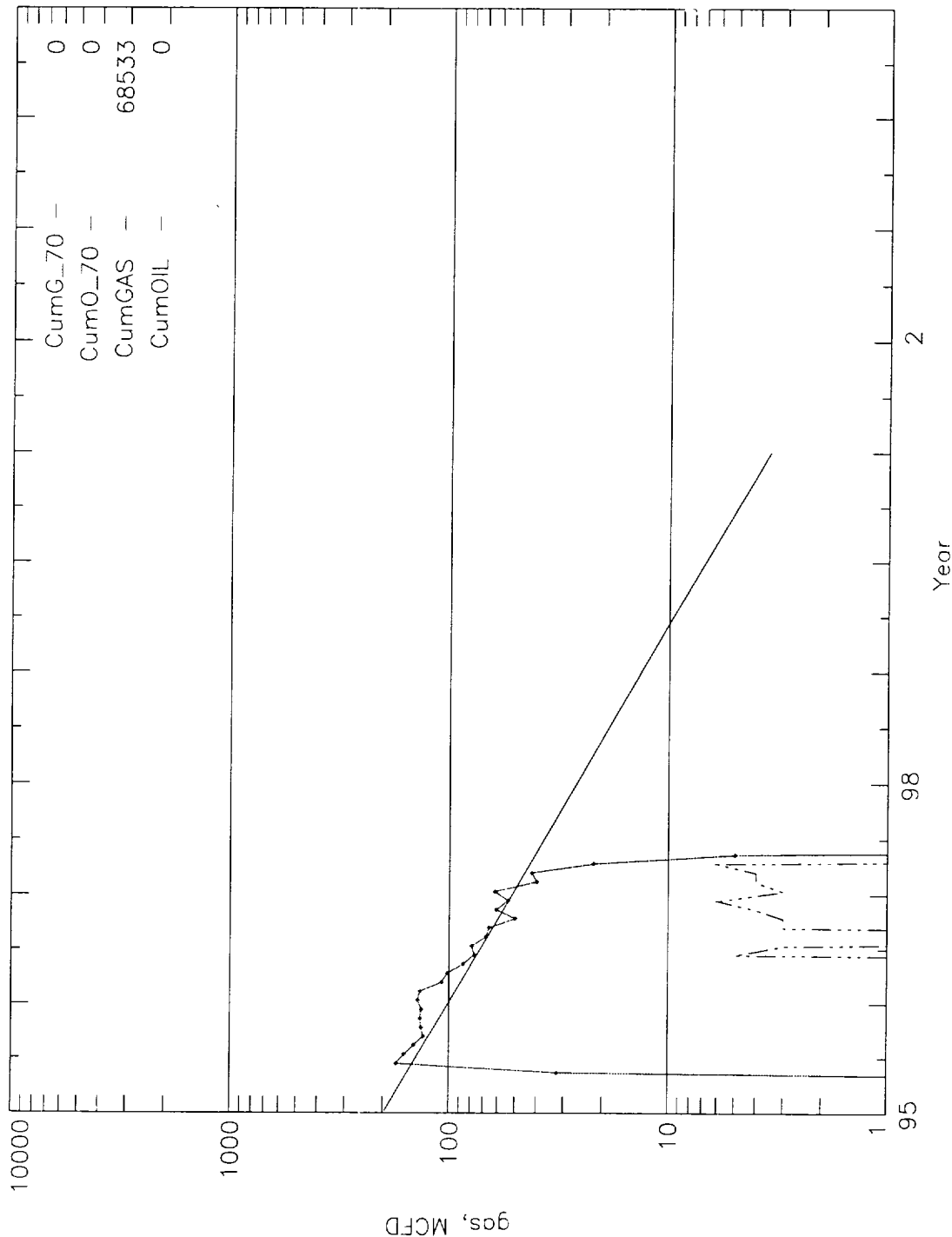
Engr: zvqp01

GALLEGOS CANYON UNIT /FT COAL/ 041A32

Operator- AMOCO PRODUCTION COMPANY

300450707400 604FRLDC 28N 12W 32

APC\_WI - 0.46750000



DCLN

Reserves  
0.6718

<b>WELL DECLINE TABLE TO SEND TO TULSA TAX GROUP</b>		
<b>WELLNAME</b>	<b>Gallegos Canyon Unit</b>	
<b>WELLNO</b>	<b>#41</b>	
<b>POOL</b>	<b>Fruitland Coal</b>	
<b>FLAC</b>	<b>88659702</b>	
<b>API</b>	<b>3004507074</b>	
<b>LOCATION</b>	<b>A 32 28N 12W</b>	
<b>MONTH FINALED</b>	<b>10/96</b>	
<b>DECLINE RATE</b>	<b>0.6718</b>	<b>0.6718</b>
<b>Production Months - (Begin with the Month following the Month Finaled)</b>	<b>GAS</b>	<b>OIL</b>
	<b>' Prod. MCF/Month</b>	<b>' Prod. BBL/Month</b>
11/1996	1873.0	0.0
12/1996	1771.0	0.0
01/1997	1674.6	0.0
02/1997	1583.4	0.0
03/1997	1497.2	0.0
04/1997	1415.7	0.0
05/1997	1338.6	0.0
06/1997	1265.7	0.0
07/1997	1196.8	0.0
08/1997	1131.7	0.0
09/1997	1070.1	0.0
10/1997	1011.8	0.0
11/1997	956.7	0.0
12/1997	904.6	0.0
01/1998	855.4	0.0
02/1998	808.8	0.0
03/1998	764.8	0.0
04/1998	723.1	0.0
05/1998	683.8	0.0
06/1998	646.5	0.0
07/1998	611.3	0.0
08/1998	578.0	0.0
09/1998	546.6	0.0
10/1998	516.8	0.0
11/1998	488.7	0.0
12/1998	462.1	0.0
01/1999	436.9	0.0
02/1999	413.1	0.0
03/1999	390.6	0.0
04/1999	369.4	0.0
05/1999	349.3	0.0
06/1999	330.2	0.0

WELLNAME	Gallegos Canyon Unit		
WELLNO	#41		
07/1999	312.3	0.0	
08/1999	295.3	0.0	
09/1999	279.2	0.0	
10/1999	264.0	0.0	
11/1999	249.6	0.0	
12/1999	236.0	0.0	
01/2000	223.2	0.0	
02/2000	211.0	0.0	
03/2000	199.5	0.0	
04/2000	188.7	0.0	
05/2000	178.4	0.0	
06/2000	168.7	0.0	
07/2000	159.5	0.0	
08/2000	150.8	0.0	
09/2000	142.6	0.0	
10/2000	134.8	0.0	
11/2000	127.5	0.0	
12/2000	120.6	0.0	
01/2001	114.0	0.0	
02/2001	107.8	0.0	
03/2001	101.9	0.0	
04/2001	96.4	0.0	
05/2001	91.1	0.0	
06/2001	86.2	0.0	
07/2001	81.5	0.0	
08/2001	77.0	0.0	
09/2001	72.8	0.0	
10/2001	68.9	0.0	
11/2001	65.1	0.0	
12/2001	61.6	0.0	
01/2002	58.2	0.0	
02/2002	55.1	0.0	
03/2002	52.1	0.0	
04/2002	49.2	0.0	
05/2002	46.5	0.0	
06/2002	44.0	0.0	
07/2002	41.6	0.0	
08/2002	39.3	0.0	
09/2002	37.2	0.0	
10/2002	35.2	0.0	
11/2002	33.3	0.0	
12/2002	31.5	0.0	
01/2003	29.7	0.0	
02/2003	28.1	0.0	
03/2003	26.6	0.0	
04/2003	25.1	0.0	
05/2003	23.8	0.0	
06/2003	22.5	0.0	
07/2003	21.3	0.0	
08/2003	20.1	0.0	
09/2003	19.0	0.0	
10/2003	18.0	0.0	

WELLNAME	Gallegos Canyon Unit		
WELLNO	#41		
11/2003	17.0	0.0	
12/2003	16.1	0.0	
01/2004	15.2	0.0	
02/2004	14.4	0.0	
03/2004	13.6	0.0	
04/2004	12.8	0.0	
05/2004	12.1	0.0	
06/2004	11.5	0.0	
07/2004	10.9	0.0	
08/2004	10.3	0.0	
09/2004	9.7	0.0	
10/2004	9.2	0.0	
11/2004	8.7	0.0	
12/2004	8.2	0.0	
01/2005	7.8	0.0	
02/2005	7.3	0.0	
03/2005	6.9	0.0	
04/2005	6.6	0.0	
05/2005	6.2	0.0	
06/2005	5.9	0.0	
07/2005	5.5	0.0	
08/2005	5.2	0.0	
09/2005	5.0	0.0	
10/2005	4.7	0.0	
11/2005	4.4	0.0	
12/2005	4.2	0.0	
01/2006	4.0	0.0	
02/2006	3.7	0.0	
03/2006	3.5	0.0	
04/2006	3.4	0.0	
05/2006	3.2	0.0	
06/2006	3.0	0.0	
07/2006	2.8	0.0	
08/2006	2.7	0.0	
09/2006	2.5	0.0	
10/2006	2.4	0.0	
11/2006	2.3	0.0	
12/2006	2.1	0.0	
01/2007	2.0	0.0	
02/2007	1.9	0.0	
03/2007	1.8	0.0	
04/2007	1.7	0.0	
05/2007	1.6	0.0	
06/2007	1.5	0.0	
07/2007	1.4	0.0	
08/2007	1.4	0.0	
09/2007	1.3	0.0	
10/2007	1.2	0.0	
11/2007	1.2	0.0	
12/2007	1.1	0.0	
01/2008	1.0	0.0	
02/2008	1.0	0.0	