

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

Energy Minerals and Natural Resources Department

Oil Conservation Division

2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

Revised 06/98

SUBMIT ORIGINAL
PLUS 2 COPIES
TO APPROPRIATE
DISTRICT OFFICE

APPLICATION FOR WELL WORKOVER PROJECT

I. Operator and Well

Operator name & address PHILLIPS PETROLEUM COMPANY 5525 HWY 64 FARMINGTON, NEW MEXICO 87401							OGRID Number 017654	
Contact Party Patsy Clugston							Phone 505-599-3454	
Property Name San Juan 32-8 Unit					Well Number 207		API Number 30-045-27447	
UL N	Section 22	Township 31N	Range 8W	Feet From The 1125	North/South Line South	Feet From The 1850	East/West Line West	County San Juan

II. Workover

Date Workover Commenced: 11/01/98	Previous Producing Pool(s) (Prior to Workover): Basin Fruitland Coal
Date Workover Completed: 11/05/98	

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:

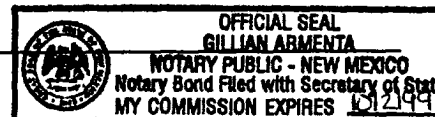
State of New Mexico)
County of San Juan) ss.

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 Regulatory Assistant Date 7/30/99
SUBSCRIBED AND SWORN TO before me this 30th day of July, 1999.

Gillian Armenta
Notary Public



My Commission expires: _____

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 11/5/98.

Signature District Supervisor <u>SS. J</u>	OCD District <u>3</u>	Date <u>8/12/99</u>
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VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: _____

**San Juan 32-8 Unit #207
NM-03402; API # - 30-045-27447
Unit N, 1125' FSL & 1850' FWL
Section 22, T31N, R8W; San Juan County, NM**

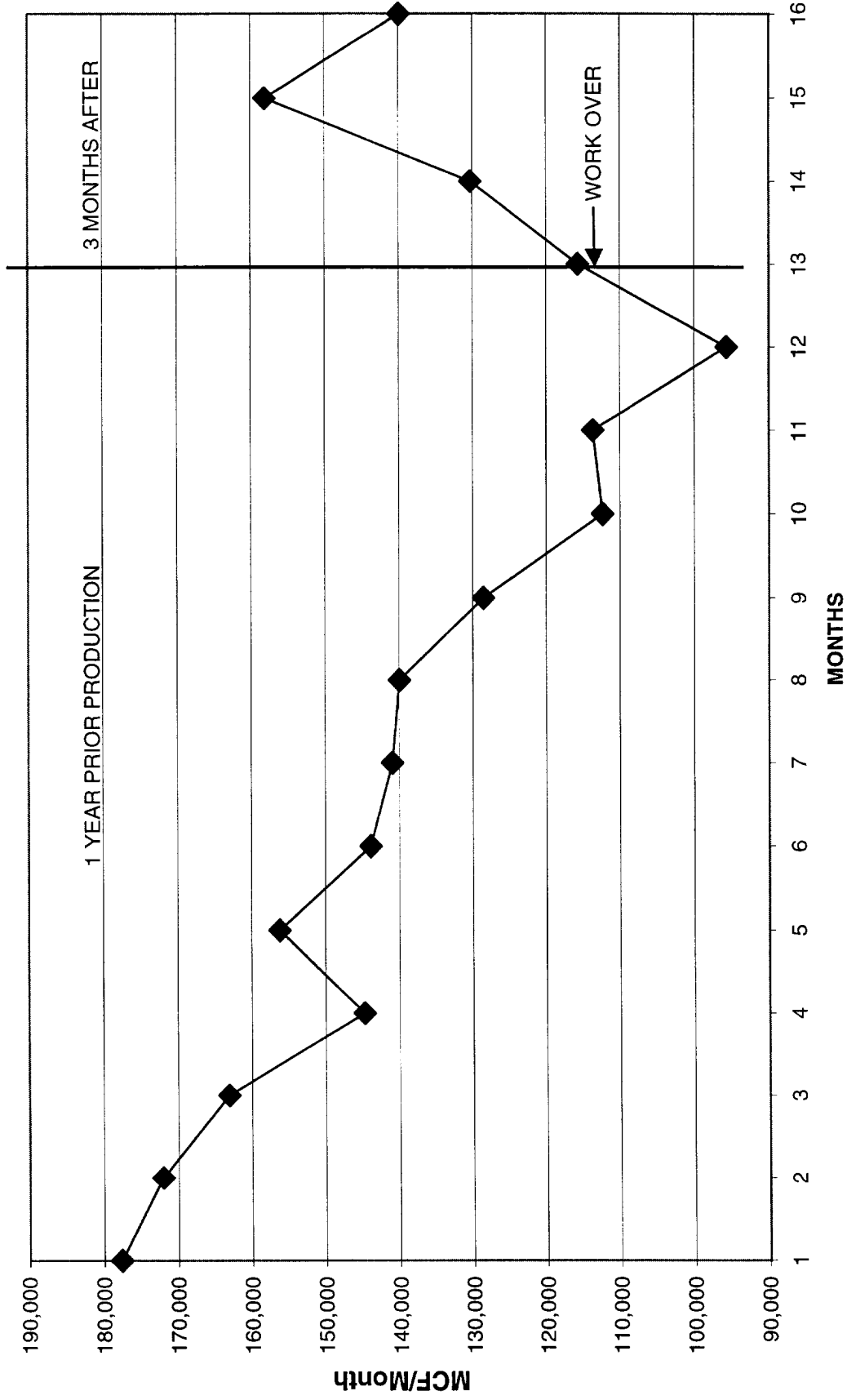
Description of Workover Procedure used to increase production of subject well:

A compressor was installed and the work entailed:

1. Taking exiting surface equipment off.
2. Replacing old equipment with bigger equipment, (i.e... bigger separator and flow lines).
3. Installing compressor manifold.
4. Debottlenecking location - eliminating any restrictions between wellhead and meter-run.
5. Installing compressor and hooking up.

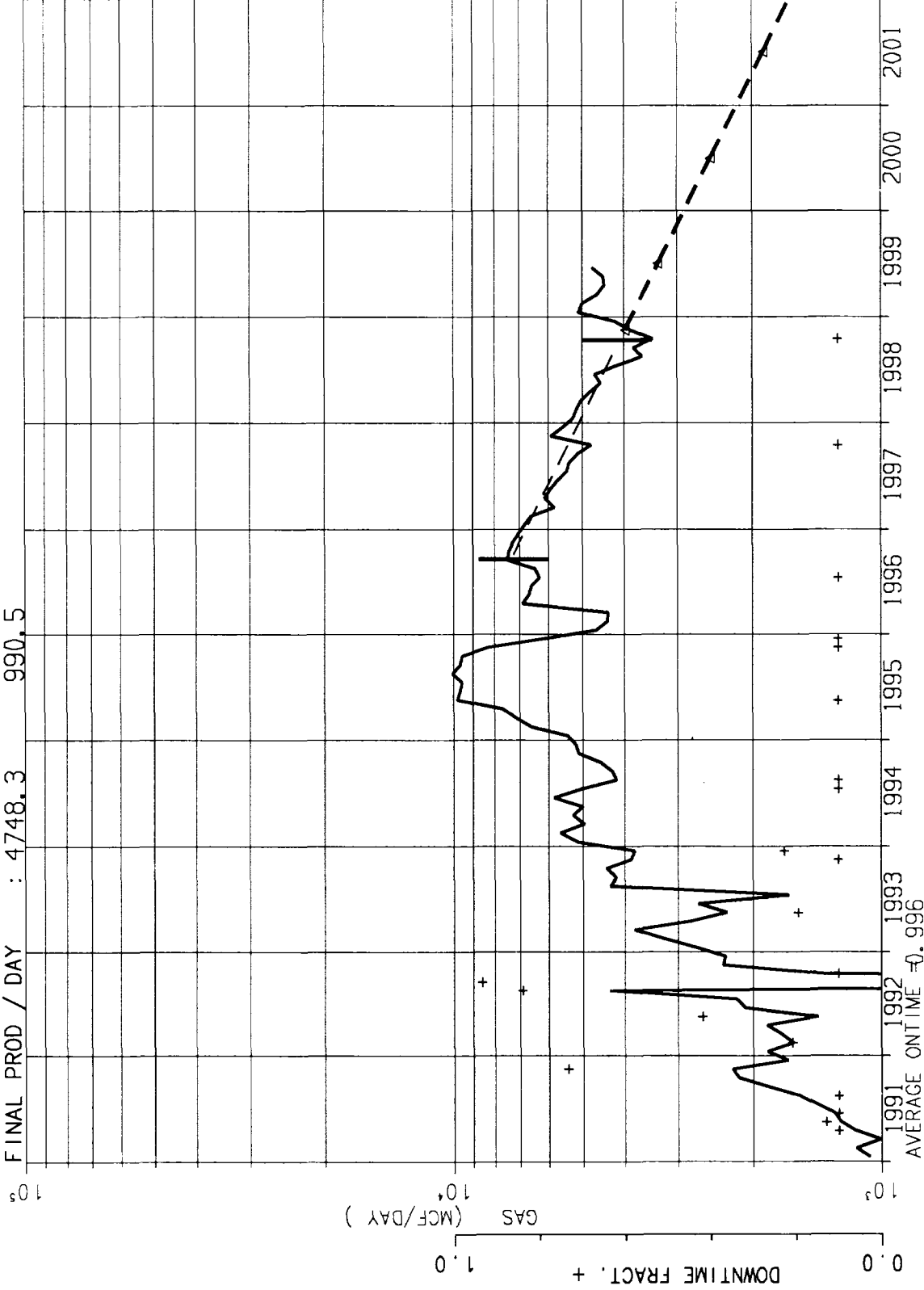
The type of compressor installed is Cooper - 305 hp. Work began approx. 11/1/98 and was completed 11/5/98.

32-8 #207 Workover Production Increase



API #	32-8 #207	MCF/Month
30-045-27447	1	177,654
	2	172,051
	3	163,089
	4	144,730
	5	156,213
	6	143,876
	7	140,912
	8	139,938
	9	128,542
	10	112,351
	11	113,661
	12	95,654
WORK OVER	→ 13	115,697
	14	130,278
	15	158,051
	16	139,949

10/96-9/98 10/98-LIFE ASSOC. Current Cums
 INITIAL PROD / DAY : 7266.9 4112.1 0.0 13780. MMCF GAS
 REMAINING LIFE : 2.00 5.00
 EXP (0.00) DECL % : 28.59 28.59
 CUM PRODUCTN-MUNITS : 3995. 3986. 0.
 FINAL PROD / DAY : 4748.3 990.5



LEASE- 650251 : SAN JUAN 32-8 UNIT FRUITLAND
 RESVR- 024 : BASIN FRUITLAND COAL LP
 WELL - 000207 CUM MMCF= 13985.
 F894901
 ZONE-650251024000207 F894901
 API-30045274470000 THRU 99/06