

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-14
Revised 06/95

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 245		API Number 30-045-28322		
UL K	Section 14	Township 31N	Range 8W	Feet From The 1306	North/South Line South	Feet From The 1669	East/West Line West	County San Juan	

II. Workover

Date Workover Commenced: 11/11/98	Previous Producing Pool(s) (Prior to Workover): Basin Fruitland Coal
Date Workover Completed: 11/14/98	

- 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:
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 reasonably available for this Well.
3. 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.

My Commission expires: _____

Notary Public Gillian Armenta

OFFICIAL SEAL
GILLIAN ARMENTA
NOTARY PUBLIC - NEW MEXICO
Notary Bond Filed with Secretary of State
MY COMMISSION EXPIRES 10/2/99

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 11/14/98.

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 #245
SF - 079047; API # - 30-045-28322
Unit K, 1306' FSL & 1669' FWL
Section 14, T31N, R8W; San Juan County, NM**

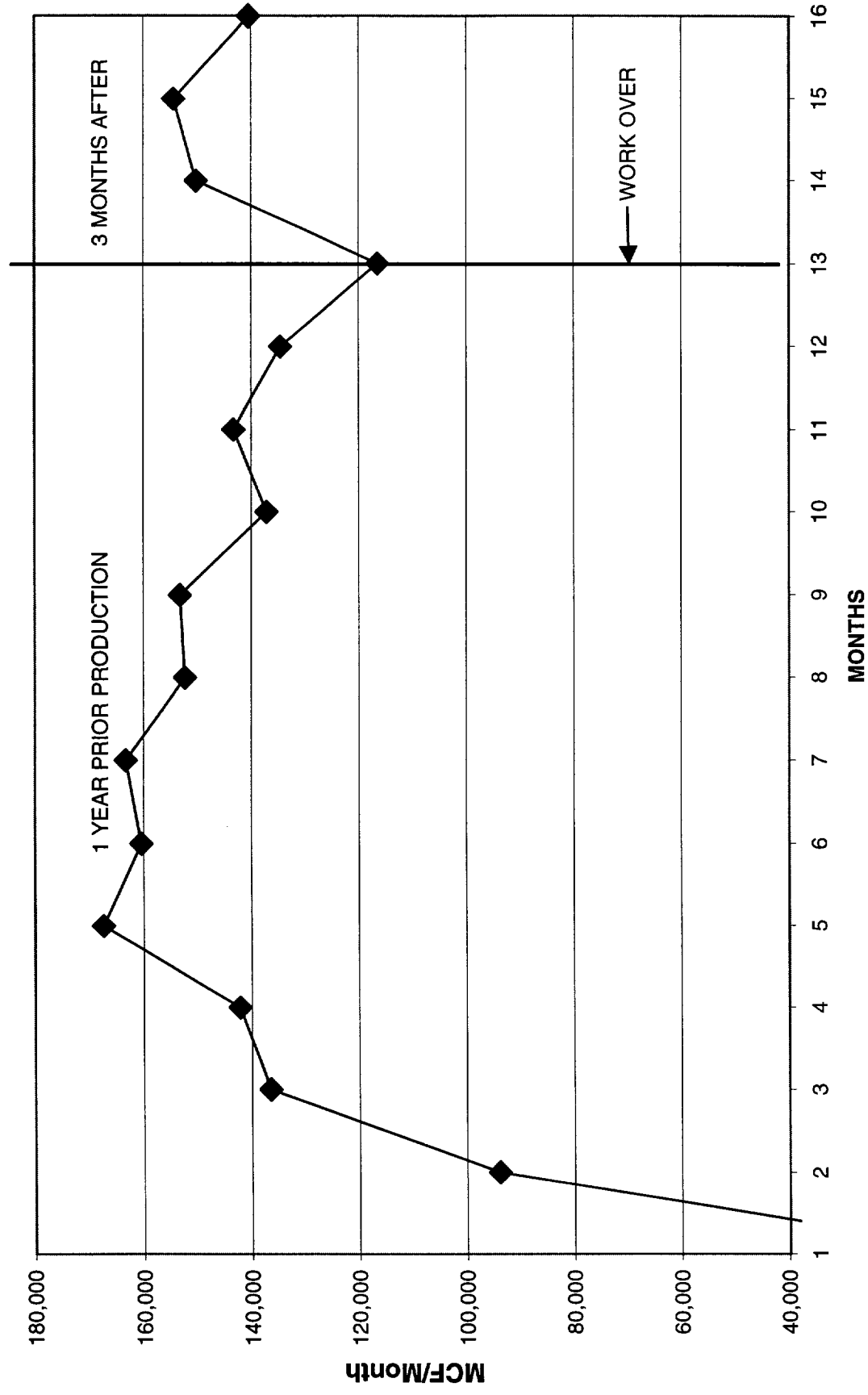
Description of Workover Procedure used to increase production of subject well:

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. 11/11/98 and was completed 11/14/98.

32-8 #245 Workover Production Increase



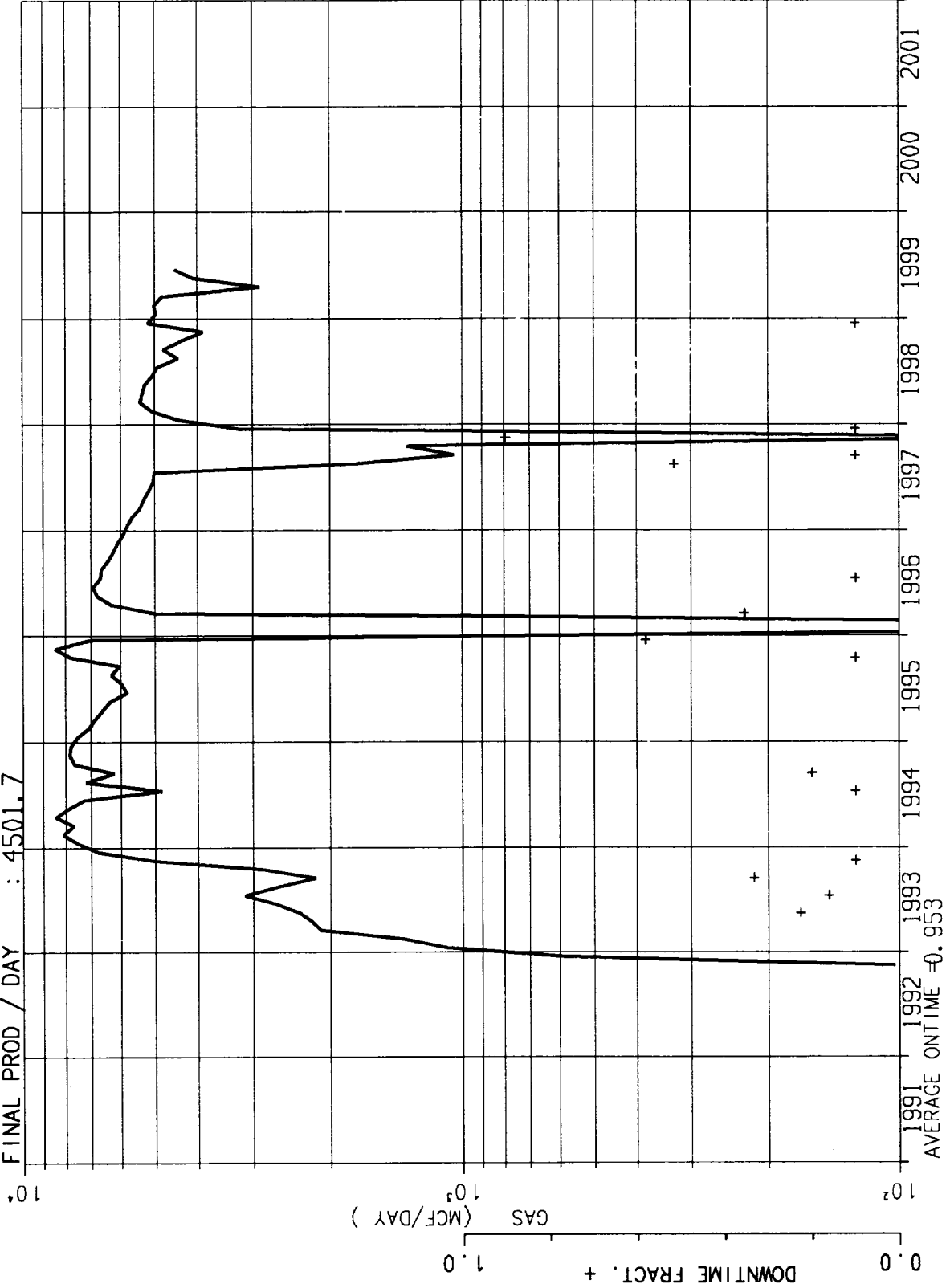
API #	32-8 #245	MCF/Month
30-045-28322	1	134
	2	93,929
	3	136,559
	4	142,174
	5	167,414
	6	160,428
	7	163,293
	8	152,296
	9	153,232
	10	137,183
	11	143,280
	12	134,632
WORK OVER →	13	116,463
	14	150,203
	15	154,403
	16	140,518

11/92-6/99

INITIAL PROD / DAY : 8636.4
REMAINING LIFE : 6.67
HYPR(0.00) DECL % : 10.93
CUM PRODUCTN-MUNITS : 11719.
FINAL PROD / DAY : 4501.7

ASSOC.

Current Cums
11719. MMCF GAS
297491. BBL WTR



LEASE- 650251 : SAN JUAN 32-8 UNIT FRUITLAND
RESVR- 024 : BASIN FRUITLAND COAL LP
WELL - 000245 CUM MMCF= 11719.

F8A3201
ZONE-650251024000245 F8A3201
API-30045283220000 THRU 99/06