

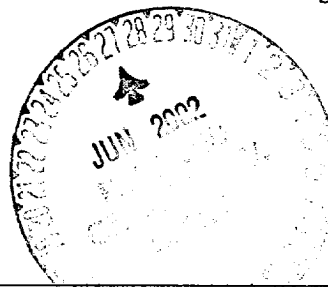
District I - (505) 393-6161  
1625 N. French Dr, Hobbs, NM 88240  
District II - (505) 748-1283  
1301 W. Grand Avenue, Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV - (505) 476-3440  
1220 S. St. Francis Dr., Santa Fe, NM 87505

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<br><b>PHILLIPS PETROLEUM COMPANY</b><br><b>5525 HYW 64</b><br><b>FARMINGTON, NM 87401</b> |                      |                        |                    |                               |                                  | OGRID Number<br><b>017654</b>     |                               |                           |
| Contact Party<br><b>PATSY CLUGSTON</b>  |                      |                        |                    |                               |                                  | Phone<br><b>505-599-3454</b>      |                               |                           |
| Property Name<br><b>San Juan 32-8</b>   |                      |                        |                    | Well Number<br><b>248</b>     |                                  | API Number<br><b>30-045-28349</b> |                               |                           |
| UL<br><b>G</b>  | Section<br><b>11</b> | Township<br><b>31N</b> | Range<br><b>8W</b> | Feet From The<br><b>2090'</b> | North/South Line<br><b>North</b> | Feet From The<br><b>1613'</b>     | East/West Line<br><b>East</b> | County<br><b>San Juan</b> |

II. Workover

|  |  |
|--|--|
| Date Workover Commenced:<br><b>6/27/01</b> | Previous Producing Pool(s) (Prior to Workover):<br><b>Basin Fruitland Coal</b> |
| Date Workover Completed:<br><b>6/30/01</b> |  |

- VI. Attach a description of the Workover Procedures performed to increase production.
- VII. 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.
- VIII. 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 June 26, 2002

SUBSCRIBED AND SWORN TO before me this 26th day of June, 2002.

My Commission expires: 10-08-2005

Notary Public Nancy J. Bronge  
Notary for State of N.M., San Juan County

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 06-30, 2001.

|   |                                  |                          |
|---|----------------------------------|--------------------------|
| Signature/District Supervisor<br><u>Charlie Thern</u> | OCD District<br><u>AZTEC III</u> | Date<br><u>6-28-2002</u> |
|---|----------------------------------|--------------------------|

- VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT:

**San Juan 32-8 Unit #248  
Lease #SF-80854; API # - 30-045-28349  
Unit G, 2090' FNL & 1613' FEL  
Section 11, T31N, R8W, San Juan 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. 6/27/2001 and was completed 6/30/2001.

# **Workover Tax Incentive Profile for SJ 32-8 Unit #248**

**Workover - installed a pumping unit**

**API #  
30-045-28349**

| Month   | mcf/Month<br>FC | Month  | mcf/Month<br>FC |
|---|-----------------|--------|-----------------|
| Jun-00  | 14,261          |        |                 |
| Jul-00  | 14,837          |        |                 |
| Aug-00  | 12,993          |        |                 |
| Sep-00  | 10,926          |        |                 |
| Oct-00  | 11,621          |        |                 |
| Nov-00  | 12,447          |        |                 |
| Dec-00  | 13,334          |        |                 |
| Jan-01  | 8,664           |        |                 |
| Feb-01  | 4,890           |        |                 |
| Mar-01  | 5,370           |        |                 |
| Apr-01  | 5,101           |        |                 |
| May-01  | 5,291           |        |                 |
| 12 month average before<br>workover             |                 |        | 9,978           |
| Added Pumping Unit 6/30/01                      |                 |        |                 |
|   |                 | Jun-01 | 5,269 *         |
|   |                 | Jul-01 | 7,170           |
|   |                 | Aug-01 | 13,106          |
|   |                 | Sep-01 | 17,523          |
| 4 month average after<br>pumping unit installed |                 |        | 12,600          |

\* Note: Didn't include June 2001 in average since it only had  
1 day of production