

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 PHILLIPS PETROLEUM COMPANY 5525 Hwy. 64 Farmington, NM 87401						OGRID Number 017654		
Contact Party Patsy Clugston						Phone 505-599-3454		
Property Name San Juan 32-7				Well Number #207		API Number 30-045-27745		
UL N	Section 27	Township 32N	Range 7W	Feet From The 1230	North/South Line South	Feet From The 1570	East/West Line West	County San Juan

II. Workover

Date Workover Commenced: 11/24/01	Previous Producing Pool(s) (Prior to Workover): Fruitland Coal
Date Workover Completed: 11/26/01	

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 San Juan

) ss.

County of New Mexico

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 Sr. Regulatory Clerk Date June 26, 2002
SUBSCRIBED AND SWORN TO before me this 26th day of June, 2002.

My Commission expires: 6/13/2003

Notary Public

Juanita Samuel

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

11-26-2001

Signature District Supervisor <u>Charlie Thern</u>	OCD District <u>AZTEC III</u>	Date <u>07-02-2002</u>
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VI. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT:

32-7 #207
Lease #SF078543; API # - 30-045-27745
Unit N, 1230 FSL & 1570 FWL
Section 27, T32N, R7W, 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. 11/24/01 and was completed 11/26/01.

Workover Tax Incentive Profile for SJ 32-7 #207

Workover - Installed a pumping unit

API #
30-045-27745

Month	mcf/month FC	Month	mcf/month FC
Nov-00	44,529	Nov-01	22,693
Dec-00	47,158	Dec-01	41,818
Jan-01	50,505	Jan-02	54,617
Feb-01	44,117		
Mar-01	50,368		
Apr-01	47,935		
May-01	47,672		
Jun-01	45,725		
Jul-01	41,414		
Aug-01	44,771		
Sep-01	43,363		
Oct-01	40,918		
12 month average before workover → 45,706			
Finished installed pumping unit on 11/26/01			
3 month average after pumping unit installed →			
		Nov-01	22,693
		Dec-01	41,818
		Jan-02	54,617
		39,709	

The average of 12 months previous production is still higher than 3 months after the work, but the average of the next 6 months average is higher.

Nov-01	22,693
Dec-01	41,818
Jan-02	54,617
Feb-02	55,446
Mar-02	62,923
Apr-02	64,364
	50,310