

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

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

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 #208		API Number 30-045-27746	
UL B	Section 34	Township 32N	Range 7W	Feet From The 1200	North/South Line North	Feet From The 1440	East/West Line East	County San Juan

II. Workover

Date Workover Commenced: 12/5/2001	Previous Producing Pool(s) (Prior to Workover): Fruitland Coal
Date Workover Completed: 12/7/2001	

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 26 day of June, 2002.

Notary Public

My Commission expires:

10-08-2005

Nancy J. Brown
Notary for State of NM, San Juan Co.

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 12-07-2001.

Signature District Supervisor <u>Charlie T. L...</u>	CCD District <u>Aztec III</u>	Date <u>6-28-2002</u>
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VI. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT:

32-7 #208
Lease #SF078542; API # - 30-045-27746
Unit B, 1200 FNL & 1440 FEL
Section 34, T32N, R7W, San Juan County, NM

Description of workover procedure used to increase production of the subject well:

The location was debottlenecked, meaning we replaced small lines and equipment with larger lines and equipment to eliminate flow restrictions between wellhead and meter-run.

11. Taking existing surface equipment off:
12. Replaced old equipment with bigger equipment, (i.e... bigger separator and flow lines).

Work began approx. 12/5/2001 and was completed 12/7/2001.

Workover Tax Incentive Profile for SJ 32-7 #208

Workover - Location Debottleneck

API #
30-045-27746

Month	mcf/Month FC	Month	mcf/Month FC
Dec-00	60,838		
Jan-01	68,464		
Feb-01	63,187		
Mar-01	69,571		
Apr-01	67,071		
May-01	62,441		
Jun-01	59,929		
Jul-01	65,556		
Aug-01	64,701		
Sep-01	65,675		
Oct-01	69,969		
Nov-01	68,769		

12 month average before
workover → **65,514**

Finished location debottleneck - 12/7/01

	Dec-01	75,351
	Jan-02	82,235
	Feb-02	78,544
3 month average after location debottleneck		78,710