

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
2040 S. Pacheco
Santa Fe, NM 87505

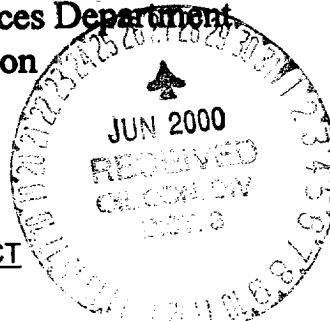
NEW MEXICO
Energy Minerals and Natural Resources Department

Oil Conservation Division

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

Revised 06/95

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PLUS 2 COPIES
TO APPROPRIATE
DISTRICT OFFICE



APPLICATION FOR
WELL WORKOVER PROJECT

I. Operator and Well

Operator name & address Phillips Petroleum Co. 5525 Hwy 64 Farmington, NM 87401							GRID Number 017654	
Contact Party Patsy Clugston							Phone 505-599-3454	
Property Name San Juan 32-8 Unit					Well Number 239		API Number 30-045-28350	
UL N	Section 30	Township P 32N	Range 8W	Feet From The 857'	North/South Line South	Feet From The 925'	East/West Line West	County San Juan

II. Workover

Date Workover Commenced: 6/28/99	Previous Producing Pool(s) (Prior to Workover): Basin Fruitland Coal
Date Workover Completed: 7/2/99	

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)

) ss.

County of San Juan)

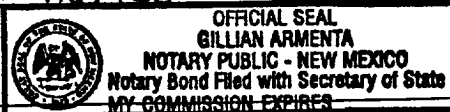
Patsy Clugston, being first duly sworn, upon oath states:

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 6-22-00
SUBSCRIBED AND SWORN TO before me this 22 day of June, 2000.

Gillian Armenta
Notary Public

My Commission expires: 10/2/2003



FOR OIL CONSERVATION DIVISION USE ONLY:

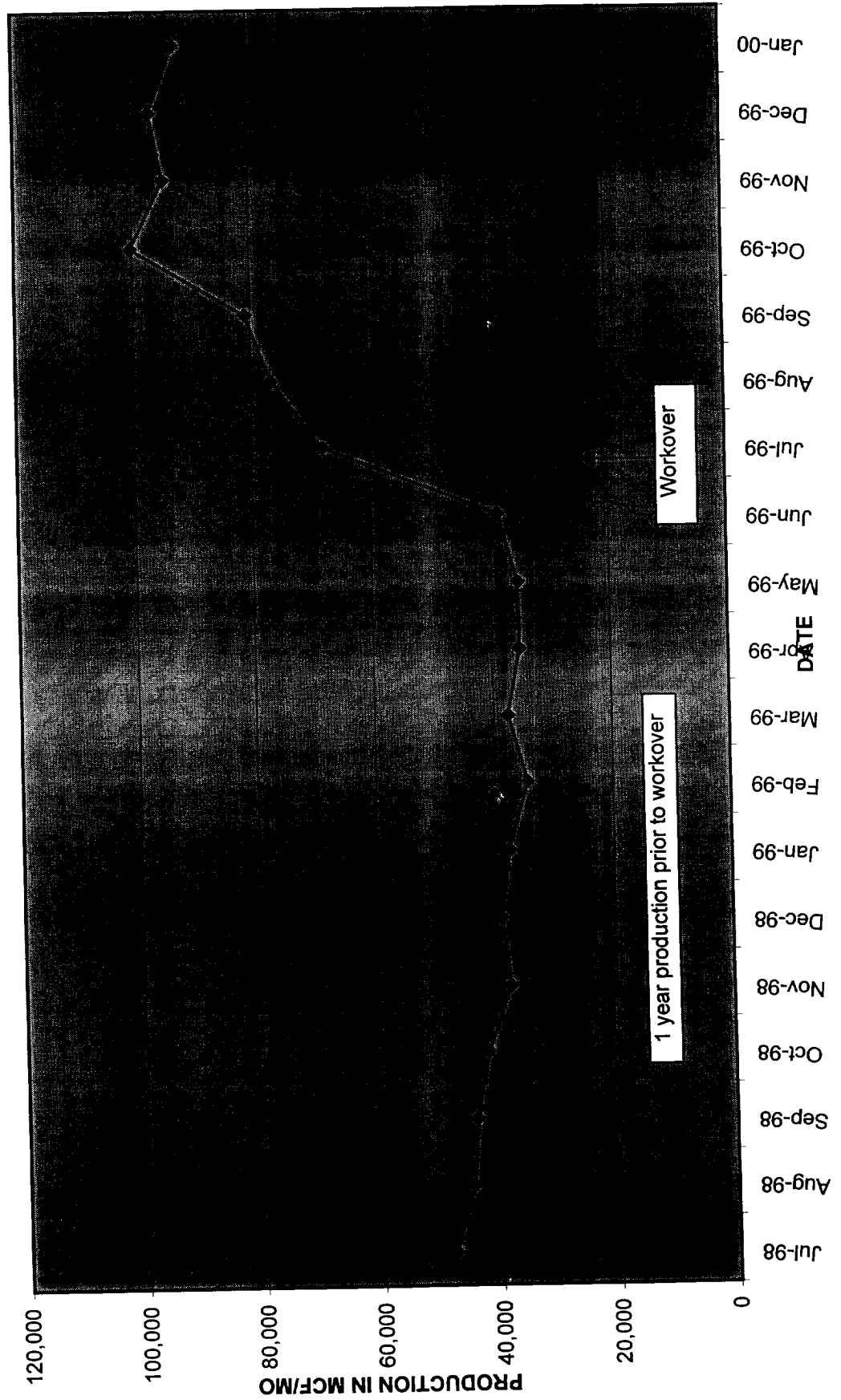
VI. CERTIFICATION OF APPROVAL:

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 7/2/99.

Signature District Supervisor <u>35.5</u>	OCD District <u>3</u>	Date <u>7/1/00</u>
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VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: _____

32-8 #239 WORKOVER PRODUCTION INCREASE



API #	32-8 #239	mcf/Month
30-045-28350	Jul-98	47,872
	Aug-98	44,672
	Sep-98	43,942
	Oct-98	41,796
	Nov-98	37,790
	Dec-98	39,154
	Jan-99	37,707
	Feb-99	34,418
	Mar-99	37,533
	Apr-99	35,421
	May-99	35,492
	Jun-99	38,741
	Jul-99	68,055
	Aug-99	76,601
	Sep-99	80,897
	Oct-99	100,284
	Nov-99	94,620
	Dec-99	96,929
	Jan-00	92,558
	Feb-00	84,496
	Mar-00	158,324
	Apr-00	76,297

**San Juan 32-8 Unit #239
SF-079341A; API # 30-045-28350
Unit N, 857' FSL & 925' FWL
Section 30, T32N, R8W; San Juan County**

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

A compressor was installed and the work entailed:

1. Taking existing 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 a Cooper 305 hp. Work began approx. 6/28/99 and was completed 7/2/99.