



AMOCO PRODUCTION COMPANY

Application for Qualification of Well
Workover Project

Lackey "B" LS No. 13M Well

NMOCD CASE NO. 11558

JUNE 27, 1996

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
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TELEPHONE: (505) 988-4421
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June 5, 1996

HAND DELIVERY

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Re: Application of Amoco Production Company for Qualification of the
Lackey B LS 13M Well Workover Project and Certification of Approval,
San Juan County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is an Application of Amoco Production Company in the above-referenced case. Also enclosed is a draft of a legal advertisement for this case. Amoco Production Company requests that this case be set for hearing before a Division Examiner on June 27, 1996.

Very truly yours,


Legal Assistant to
WILLIAM F. CARR

WFC:jar
Enclosures

cc: Ms. Pam Staley (w/enclosures)
Amoco Production Company
Mr. Frank Chavez, District Supervisor (w/enclosures)
Oil Conservation Division, District III

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION
OF AMOCO PRODUCTION COMPANY FOR
QUALIFICATION OF A WELL WORKOVER
PROJECT AND CERTIFICATION OF APPROVAL,
SAN JUAN COUNTY, NEW MEXICO.

CASE NO. _____

APPLICATION

AMOCO PRODUCTION COMPANY ("Amoco"), through its undersigned attorneys, hereby seek an order from the Division pursuant to the Rules and Procedures for Qualification of a Well Workover Project and Certification for the Well Workover Incentive Tax Rate promulgated by Division Order No. R-10505, entered in Case 11273 on November 1, 1995, and in support hereof states:

1. Amoco is the operator of the Lackey B LS 13M, Unit C, 1025 feet from the North line and 1655 feet from the West Line, Section 20, Township 28 North, Range 20 West, located in San Juan County, New Mexico, upon which it has undertaken procedures that have been approved by the Division which are intended to increase the production therefrom.
2. The workover procedure on the subject well commenced after June 16, 1995.
3. Amoco filed an Application for Qualification of Well Workover Project and Certification of Approval For the subject well on April 25, 1996, to which it attached a

straight line estimate of the production rate of the well and table showing monthly gas project production from the well based on at least twelve months of established production which shows the future rate of production based on well performance prior to performing the workover.

4. The use of a straight line estimate of the future production rate for the well prior to performing the workover should be another acceptable method of projecting the future production rate for workover projects for:

- A. it will be easy for operators to prepare;
- B. it will be easy for the Division and the Department of Taxation and Revenue to read and confirm the accuracy of the data contained therein;
and
- C. it does not violate the intent of the " Natural Gas and Crude Oil production Incentive Act" for it will result in an estimate of future production that will limit the amount of oil or gas which will qualify for the Incentive Tax Rate authorized therein.

5. The application filed for the subject well was complete, accurate and properly verified as required by Division rules.

6. The Division's Aztec District Office declined to approve this application within thirty days of the date it was filed and advised Amoco that, if it desired to utilize a straight line estimate of production prior to performing the workover, it would have to request that

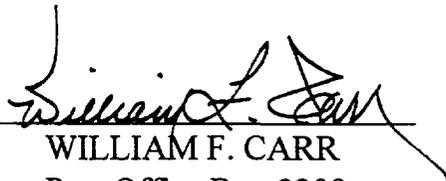
the application be set for hearing before a Division hearing Examiner in accordance with the rules of the Division.

7. Approval of this application and the use of straight line estimates of production prior to performing the workovers on the subject well will be consistent with law, the prevention of waste and the protection of correlative rights.

WHEREFORE, Amoco Production Company requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation on June 27, 1996 and that, after notice and hearing as required by law, the Division enter its Order (1) granting this application, (2) qualifying the subject well as a Well Workover Project and (3) certifying the production projection for the project.

Respectfully submitted,

CAMPBELL, CARR, BERGE &
SHERIDAN, P.A.

By: 

WILLIAM F. CARR

Post Office Box 2208

Santa Fe, New Mexico 87504-2208

Telephone: (505) 988-4421

ATTORNEYS FOR AMOCO PRODUCTION
COMPANY

CASE _____:

Application of Amoco Production Company for qualification of a well workover project and certification of approval, San Juan County, New Mexico. Applicant seeks an order qualifying the Lackey B LS 13M, Unit C, 1025 feet from the North line and 1655 feet from the West line, Section 20, Township 28 North, Range 20 West, N.M.P.M., as a well workover project for the incentive tax rate authorized by the Natural Gas and Crude Oil Production Incentive Act and the Rules and Procedures for Qualification of Well Workover Projects and Certification for the Well Workover Incentive Tax Rate promulgated by Division Order No. R-10505. Said well is located approximately _____ miles _____ of _____, New Mexico.



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

AZTEC DISTRICT OFFICE
1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178 Fax (505)334-6170

GARY E. JOHNSON
GOVERNOR

JENNIFER A. SALISBURY
CABINET SECRETARY

May 10, 1996

Patricia J. Haefele
Amoco Production Company
PO Box 800
Denver CO 80201

Re C-140 Application for Lackey B LS #13M C-20-28N-9W 30-045-23888

Dear Patricia:

The referenced application is hereby denied. The method of determining the future rate of production is not acceptable.

As per Rule 1140 you may request a hearing on this application.

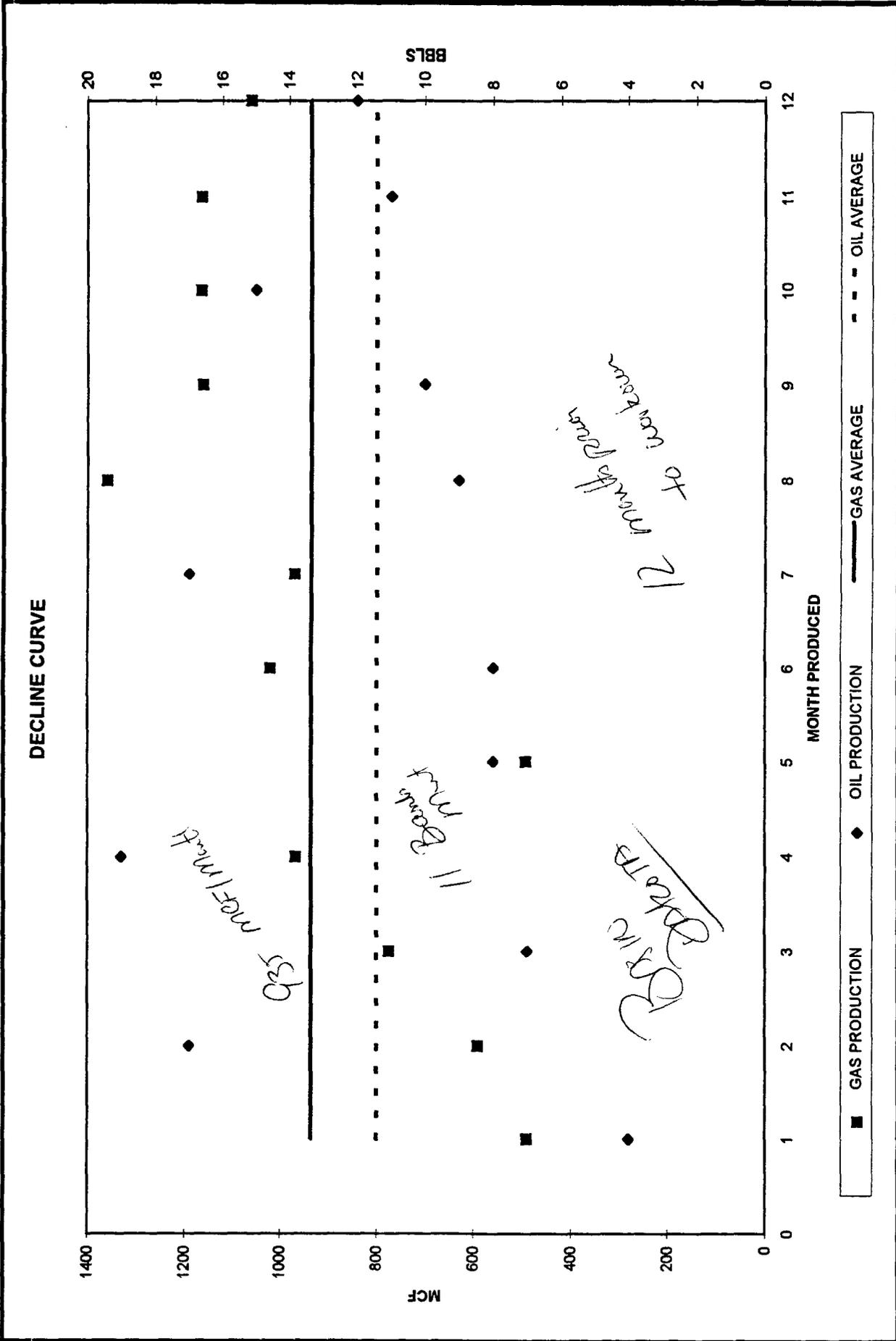
Sincerely,

A handwritten signature in black ink, appearing to read "F. T. Chavez".

Frank T. Chavez
District Supervisor

FTC\sh

cc: well file



Lackey B LS #13M: Recompletion

MIRUSU 6/30/95. SICP = 360 psig, SITP = 260 psig

Run 1.90" gauge ring to 4497', tight. Run 1.5" gauge ring to 6539'. Set CW plug at 4495'. NU BOP. TOOH w/ tbg.

TIH w/ tbg x packer and RBP. Set RBP at 4654'. Set pkr at 4622'. Test RBP to 500#. Held. Load tbg. Test tbg to 500 psig. Held.. Load annulus. Test csg to 500#. Test failed. Able to pump in .5 BPM at 500#.

Isolate leak in casing from 3543-3671'. Run GR/CCL/CBL from 12'-4650'. Excellent bond from 3620-4550'. No bond from 2200'-3670'. Moderate bond from 2200' to TOC at 750'.

Perforated from 3650-51' w/ 2 JSPF, .380" EHD. Total 2 shots fired. Establish circulation behind pipe.

TIH w/ packer. Set pkr at 3226'. Mix and pump 275 sxs Class B w/ 5% calseal, .25# flowseal, .2% superCBL. Tail in w/ 75 sxs Class B w/ 5% calseal, .25# flowseal, and 3% Halad 322 fluid loss additive. Displace cement to 3344'. Hesitation squeeze. Final squeeze pressure 1460 psig.

S. bradenhead pressure 2 psig. 0 psig on tbg and casing. Test squeeze down tbg to 500#. Held. Release pkr. TOOH w/ tbg x pkr. TIH w/ tbg x bit and scraper. Drill cement from 3300-3680'. Test casing to 500#. Held. TOOH w/ tbg, bit, and scraper.

R in CBL. Good bond from 2515'-3650'.

Perforate 720-721' w/ 2 JSPF, 0.380" EHD. Total 2 shots fired. Establish circulation behind pipe.

TIH x set RBP at 820'. Mix and pump 200 sxs Class B neat after die test. Circulate 3 bbls good cement out at surface.

DD cement x test casing to 500#. Held. TIH x release RBP. TOOH w/ RBP.

Perforate MV at 4518', 4497', 4487', 4475', 4468', 4440', 4425', 4416', 4408', 4401', 4398', 4396', 4394', 4390', 4125', and 4088' w/ 1 JSPF, 0.340" EHD. Total 16 shots fired.

Fracture stimulated MV w/ 15,288 gal 70 quality N2 foam and 88,184# 16/30 sand. SI for 4 hours. Flow back MV on 1/4" choke for 8 hours, 1/2" choke for 15 hours, 3/4" choke for 6 hours, and open 2" line to pit for 4 hours.

Flow back MV 3/4" choke for 8 hours. FTP = 10 psig, FCP = 290 psig. Flowtest 145 MCFD and 21 BCPD. TOOH.

SICP = 580 psig. Set RBP at 3245'. TIH w/ 4 1/2" pkr. Set pkr at 3166'. Pressure test RBP to 2000#. Held. Pressure test annulus to 500#. Held. Dump 5 gal sand on RBP. TOOH w/ tbg x pkr.

Perforate CK at 3143', 3139', 3134', 3131', 3129', 3118', 3115', 3035', 3031', and 3028' using 1 JSPF, 0.340" EHD. Total 10 shots fired. TIH w/ frac string x pkr. Set pkr at 2713'.

Establish rate at 7 BPM and 2500 psig. Ball off perfs at 4000# w/ 20 7/8" ball sealers. Release pkr. TIH x knock balls of perfs. TOOH. Set pkr at 2714'.

Fracture stimulate CK w/ 16,464 gal 70 quality N2 foam and 49,435# 16/30 sand. SI 4 hours.

Flow back CK through 1/4" choke for 16 hours. Final flowing tbg pressure = 200 psig.

Flow back CK through 1/2" choke for 24 hours. Final FTP = 45 psig.

Flow back CK through 3/4" choke for 10 hours. Final FTP = 18 psig. Flow rate 261 MCFD with no liquid production.

Flow through open 2" line to pit.

Release pkr. TOOH x lay down frac string. PU x TIH w/ tbg. Tag sand at 3217'. Clean out to RBP at 3245'. Release RBP x TOOH to 3190'. Flow overnight through open 2" line to pit. FTP = 19 psig. Finish TOOH w/ tbg x RBP.

TIH w/ tbg. Tag sand at 4594'. TOOH x land tbg at 4293'. SI 1 hr. SITP = 320 psig, SICP = 320 psig.

Flow test commingled CK/MV through 3/4" line for 24 hours. Initial FTP = 50 psig, FCP = 270 psig. Final FTP = 43 psig, Final FCP = 210 psig. Recovered 21 bbl condensate. Flowrate 624 MCFD and 21 BCPD.

TIH. Tag sand at 4577'. CO sand. Land tbg at 4293'. SI 3 hours. SITP = 400 psig, SICP = 420 psig.

Flow test commingled CK/MV.

7/28/95: 3/4" choke: FTP = 40 psig, FCP = 200 psig Recovered 14 bbl condensate.

7/29/95: 3/4" choke: FTP = 40 psig, FCP = 175 psig Recovered 25 bbl condensate.

7/30/95: 3/4" choke: FTP = 35 psig, FCP = 165 psig Recovered 18 bbl condensate

SI for 14 hours. SITP = 485 psig, SICP = 500 psig.

TIH. Tag sand at 4567'. Clean out w/ N2 to 4654'. Release RBP. TOOH. No RBP retrieved. Flow overnight through 2" line. FTP = 17 psig.

TIH. Catch RBP at 425'. TOOH. TIH w/ expendable check. Tag sand at 6654'. Clean out 6654'-6675' w/ N2. Sweep hole w/ foam. Land tbg at 6552'. Pump ball out of check.

Flow test commingled CK/MV/DK through 3/4" choke. FTP = 50#, FCP = 200#. Bleed down. Set packer at 31'. Repair leaking casing valve. Release and lay down packer. Land tbg at 6560'. ND BOP. NU wellhead. SI well for 6 hours.

Flow test commingled CK/MV/DK through 3/4" choke for 24 hours. FTP = 60 psig, FCP = 220 psig. Flowrate 870 MCFD x 21 BCPD.

RD MOSU. Release rig 8/3/95.

Lackey B LS 13E

WELLNAME	WELLNO	POOL	FLAC	API	QBTR	MONTH	OIL	GAS
LACKEY B LS	M013C20	BASIN-DAKOTA-GAS	97959501	3004523888	NENW0020028009	06/94	4	491
LACKEY B LS	M013C20	BASIN-DAKOTA-GAS	97959501	3004523888	NENW0020028009	07/94	17	592
LACKEY B LS	M013C20	BASIN-DAKOTA-GAS	97959501	3004523888	NENW0020028009	08/94	7	774
LACKEY B LS	M013C20	BASIN-DAKOTA-GAS	97959501	3004523888	NENW0020028009	09/94	19	967
LACKEY B LS	M013C20	BASIN-DAKOTA-GAS	97959501	3004523888	NENW0020028009	10/31/1994	8	493
LACKEY B LS	M013C20	BASIN-DAKOTA-GAS	97959501	3004523888	NENW0020028009	11/30/1994	8	1020
LACKEY B LS	M013C20	BASIN-DAKOTA-GAS	97959501	3004523888	NENW0020028009	12/31/1994	17	970
LACKEY B LS	M013C20	BASIN-DAKOTA-GAS	97959501	3004523888	NENW0020028009	01/31/1995	9	1359
LACKEY B LS	M013C20	BASIN-DAKOTA-GAS	97959501	3004523888	NENW0020028009	02/28/1995	10	1161
LACKEY B LS	M013C20	BASIN-DAKOTA-GAS	97959501	3004523888	NENW0020028009	03/31/1995	15	1165
LACKEY B LS	M013C20	BASIN-DAKOTA-GAS	97959501	3004523888	NENW0020028009	04/30/1995	11	1164
LACKEY B LS	M013C20	BASIN-DAKOTA-GAS	97959501	3004523888	NENW0020028009	05/31/1995	12	1060
					12 month average - Future Trend		11	935

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

(See other instructions on reverse side)

FOR APPROVED
OMB NO. 1004-0137
Expires: December 31, 1991

RECEIVED
BLM

5. LEASE DESIGNATION AND SERIAL NO.
SF-077106

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

Lackey B LS #13M

9. API WELL NO.

3004523888

10. FIELD AND POOL, OR WILDCAT

Blanco Mesaverde

11. SEC., T., R., M., OR BLOCK. AND SURVEY OR AREA

Section **20**

Township **28N** Range **9W**

12. COUNTY OR PARISH

San Juan

13. STATE

New Mexico

14. PERMIT NO.

DATE ISSUED

15. DATE SPUDDED

03/12/80

16. DATE T.D. REACHED

03/22/80

17. DATE COMPL. (Ready to prod.)

08/03/95

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*

5835' GL

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD

6703'

21. PLUG, BACK T.D., MD & TVD

6689

22. IF MULTIPLE COMPL. HOW MANY*

3

23. INTERVALS DRILLED BY

ROTARY TOOLS

YES

CABLE TOOLS

NO

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)*

Blanco Mesaverde 3680'-4542'

25. WAS DIRECTIONAL SURVEY MADE

No

26. TYPE ELECTRIC AND OTHER LOGS RUN

CBL, CCL and GR

27. WAS WELL CORED

28. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
9-5/8"	32.3#	228'	13-3/4"	190 cubic feet	
4-1/2"	10.5# & 11.6#	6703'	8 3/4"	480 cubic feet	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	6560	

31. PERFORATION RECORD (Interval, size and number)

See Attachment

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
	See Attachment

33.* PRODUCTION

DATE FIRST PRODUCTION 08 03 1995		PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump) Flowing				WELL STATUS (Producing or shut-in) Shut-in	
DATE OF TEST 08 03 1995	HOURS TESTED 8	CHOKE SIZE 1/4"	PROD'N FOR TEST PERIOD 21 bbls	OIL - BBL 21 bbls	GAS - MCF. 145 mcf	WATER - BBL 0	GAS-OIL RATIO
FLOW TUBING PRESS 10#	CASING PRESSURE 290#	CALCULATED 24-HOUR RATE	OIL - BBL SRBL	GAS - MCF. RECEIVED	WATER - BBL	OIL GRAVITY - API (CORR.)	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

To Be Sold

AUG 18 1995

TEST WITNESSED BY

ACCEPTED FOR RECORD

35. LIST OF ATTACHMENTS

AUG 15 1995

ADMINISTRATIVE GROUP

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

SIGNED

Gail M. Jefferson

TITLE

Sr. Admin Staff Asst

FARMINGTON DISTRICT OFFICE

BY **20** DATE

08-09-1995

*(See Instructions and Spaces for Additional Data on Reverse Side)

NMOCD Case No. 11558

Lackey B LS #13M Well

Orig. Compl. 1980 in Basin Dakota.

Workover 6/30/95 - 8/3/95

Perf and Frac Otero Chacra and Blanco Mesaverde ;
Complete as downhole commingle of all three zones.

* Avg 12 month production data from 6/94-5/95).

Dwights

Lease: LACKEY B LS 00013E

Retrieval Code: 251,045,28N09W20C00DK

06/18/96

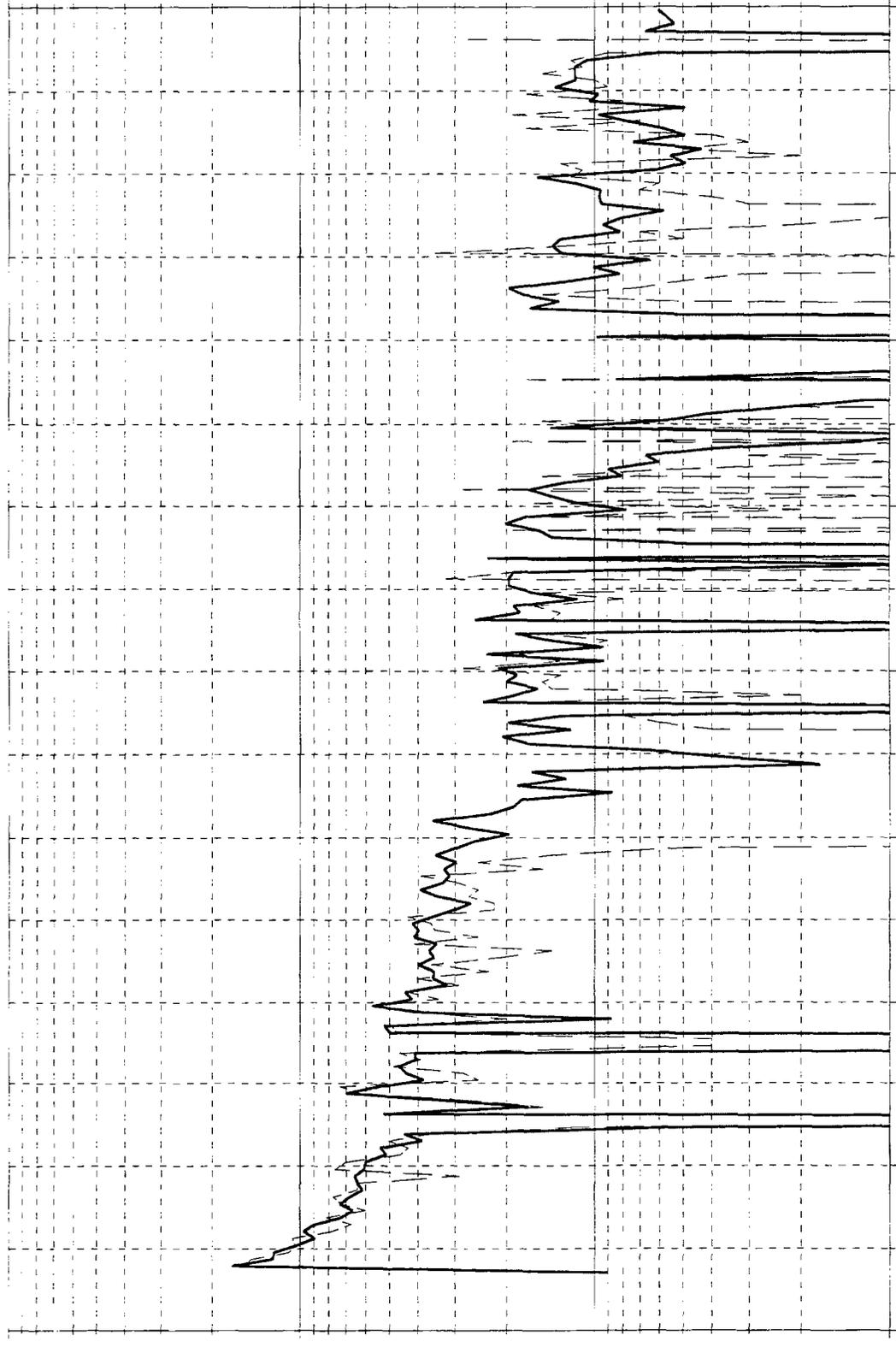
10⁵

10⁴

10³

10²

1980 1982 1984 1986 1988 1990 1992 1994 1996



Oil (bbl/mo)

Gas (mcf/mo)

County: SAN JUAN, NM	F.P. Date: 09/80
Field: BASIN (DAKOTA) DK	Oil Cum: 3639 bbl
Reservoir: DAKOTA	Gas Cum: 434.1 mmcf
Operator: AMOCO PRODUCTION CO	Location: 20C 28N 9W

DWIGHTS ENERGYDATA, INC.
 GAS WELL HISTORY
 NEW MEXICO GAS NORTHWEST

RUN DATE: 05/09/96
 Published 4/96
 (#251,045,28N09W20C00DK)

OPERATOR (#19922)	WELL NAME	WELL #
AMOCO PRODUCTION CO	LACKEY B LS	00013E

LOCATION	STATE	DIST	COUNTY (#045)	LEASE #
20C 28N 9W	NM	004	SAN JUAN	36565

API #	FIELD (#8004974)	RESERVOIR
30-045-2388800	BASIN (DAKOTA) DK	DAKOTA

TOTAL DEPTH	UPPER PERF	LOWER PERF	GAS GATH	LIQ GATH	GAS GRAV	LIQ GRAV	TEMP GRAD	N-FACTOR
6703	6438	6605	ELNAT	G R			1.750	

COMP DATE	1ST PROD DATE	LAST PROD DATE	STATUS DATE	STATUS
3007	8009	9512		ACT

CUM THRU LPD GAS/MCF	GAS CUM SINCE DATE	CUM THRU LPD COND/BBLS	COND CUM SINCE DATE
434073	FPDAT	3639	FPDAT

DWIGHTS ENERGYDATA, INC.
 WOCO PRODUCTION CO
 WACKEY B LS

RUN DATE: 05/09/96
 Published 4/96
 (#251,045,28N09W20C00DK)

*** MONTHLY PRODUCTION HISTORY ***

MONTH	GAS MCF	CUM GAS MCF	COND BBLs	CUM COND BBLs	WATER BBLs	DAYS ON
JAN	981	393440	0	3294	4	20
FEB	0	393440	0	3294	0	0
MAR	0	393440	0	3294	0	0
APR	500	393940	7	3301	2	30
MAY	1662	395602	0	3301	6	28
JUN	1322	396924	6	3307	2	21
JUL	1762	398686	15	3322	5	31
AUG	1958	400644	7	3329	2	31
SEP	1208	401852	5	3334	2	30
OCT	821	402673	3	3337	1	31
NOV	1006	403679	0	3337	6	29
DEC	645	404324	0	3337	4	18
1992	11865	404324	43	3337	34	
JAN	1295	405619	35	3372	11	31
FEB	1391	407010	13	3385	4	28
MAR	1309	408319	5	3390	2	31
APR	822	409141	7	3397	2	30
MAY	933	410074	2	3399	6	31
JUN	806	410880	1	3400	6	30
JUL	580	411460	0	3400	6	31
AUG	945	412405	3	3403	6	31
SEP	961	413366	4	3407	6	30
OCT	951	414317	7	3414	6	31
NOV	1143	415460	6	3420	6	30
DEC	1572	417032	12	3432	6	31
1993	12708	(1059) 417032	95	3432	67	
JAN	613	417645	11	3443	6	31
FEB	491	418136	13	3456	6	28
MAR	549	418685	2	3458	6	31
APR	433	419118	5	3463	6	30
MAY	734	419852	3	3466	6	31
JUN	491	420343	4	3470	4	20
JUL	592	420935	17	3487	6	31
AUG	774	421709	7	3494	6	31
SEP	967	422676	19	3513	6	30
OCT	493	423169	8	3521	0	31
NOV	1036	424205	8	3529	0	30
DEC	970	425175	17	3546	0	31
1994	8143	(679) 425175	114	3546	52	

DWIGHTS ENERGYDATA, INC.
AMOCO PRODUCTION CO
LACKEY B LS

RUN DATE: 05/09/96
Published 4/96
(#251,045,28N09W20C00DK)

*** MONTHLY PRODUCTION HISTORY ***

MONTH	GAS MCF	CUM GAS MCF	COND BBLs	CUM COND BBLs	WATER BBLs	DAYS ON
JAN	1359	426534	9	3555	0	31
FEB	1161	427695	10	3565	0	28
MAR	1165	428860	15	3580	0	23
APR	1164	430024	11	3591	0	-
MAY	1060	431084	12	3603	0	-
JUN	602	431686	9	3612	0	15
JUL	0	431686	0	3612	0	0
AUG	12	431698	27	3639	0	1
SEP	670	432368	0	3639	0	-
OCT	535	432903	0	3639	0	-
NOV	565	433468	0	3639	0	-
DEC	605	434073	0	3639	0	-
1995	8898	(742) 434073	93	3639	0	-

District I - (305) 393-6161
PO Box 1980
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

New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

Form C-140
Originated 11/1/95

Submit Original
Plus 2 Copies
to appropriate
District Office

APPLICATION FOR
QUALIFICATION OF WELL WORKOVER PROJECT
AND CERTIFICATION OF APPROVAL

THREE COPIES OF THIS APPLICATION MUST BE FILED WITH THE APPROPRIATE DISTRICT OFFICE OF THE OIL CONSERVATION DIVISION.

I. Operator: Amoco Production Company OGRID #: 000778

Address: P.O. Box 800, Denver, Colorado 80201

Contact Party: Patricia J. Haeefe Phone: (303) 830-4988

II. Name of Well: Lackey B LS 13M API #: 3004523888

Location of Well: Unit Letter C, 1025 Feet from the North line and 1655 Feet from the West line, Section 20, Township 28N, Range 9W, NMPM, San Juan County.

III. Date Workover Procedures Commenced: 6/30/95

Date Workover Procedures were Completed: 8/3/95

IV. Attach a description of the Workover Procedures undertaken to increase the projection from the Well.

V. Attach an estimate of the production rate of the Well (a production decline curve or other acceptable method, and table showing monthly oil and/or gas Project Production) based on at least twelve (12) months of established production which shows the future rate of production based on well performance prior to performing Workover.

VI. Pool(s) on which Production Projection is based:

Basin Dakota

VII. AFFIDAVIT:

State of Colorado)
) ss.
County of Denver)

Patricia J. Haeefe, 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 which are reasonably available and contain information relevant to the production history of this Well.
3. To the best of my knowledge, the data used to prepare the Production Projection for this Well is complete and accurate and this projection was prepared using sound petroleum engineering principles.

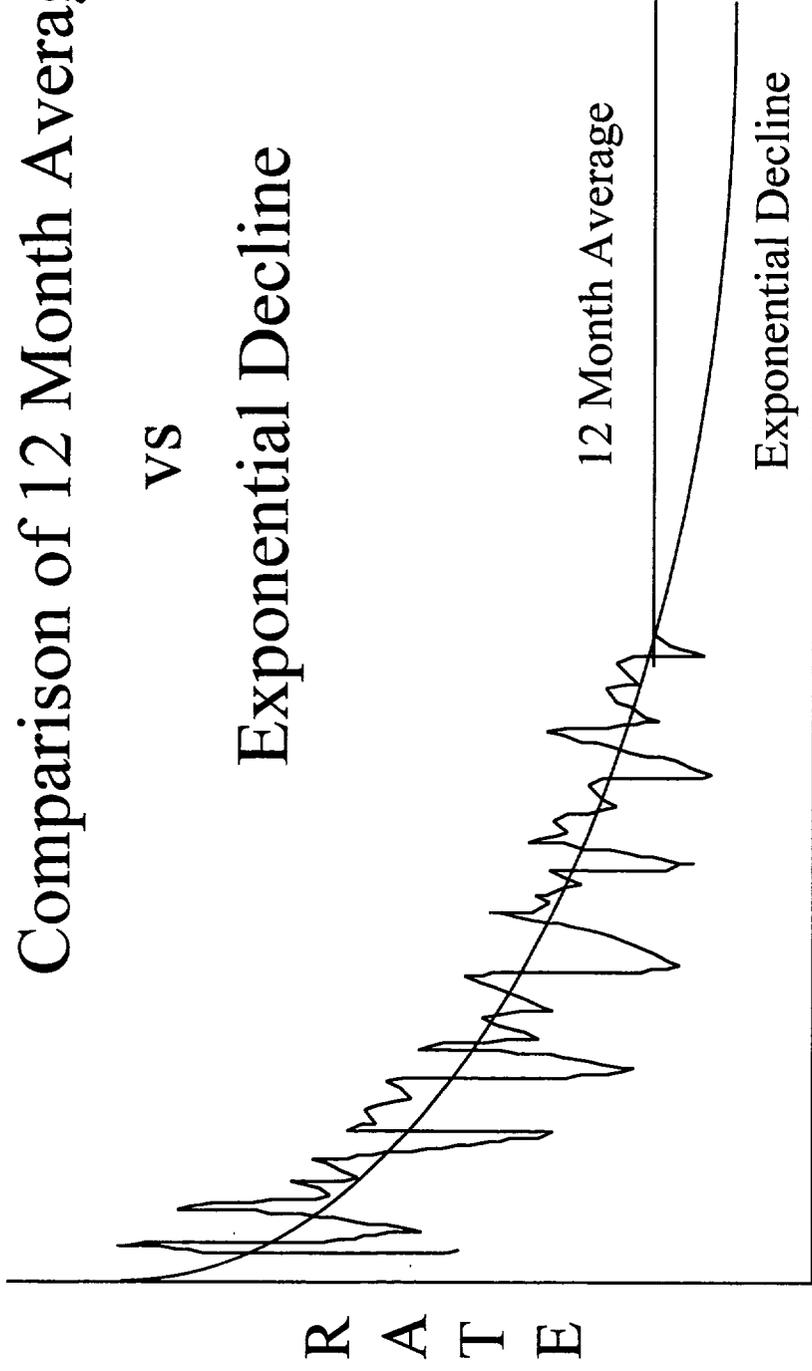
Patricia J. Haeefe
(Name)
Staff Assistant
(Title)

Production Projection Method

Comparison of 12 Month Average

VS

Exponential Decline



R A T E

T I M E

12 Month Average

Production Projection Method

- Reasonable estimate of the productive capacity of the well.
- Less subjective than estimated decline.
- Simple for operator to determine.
- Easy for NMOCD to verify and certify.
- Easy to manage in dual tax rate accounting.
- Limits the amount of production which will qualify for the Incentive Tax Rate.

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

IN THE MATTER OF THE APPLICATION OF
AMOCO PRODUCTION COMPANY FOR
QUALIFICATION OF A WELL WORKOVER
PROJECT AND CERTIFICATION OF APPROVAL,
SAN JUAN COUNTY, NEW MEXICO.

CASE NO. 11558

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Campbell, Carr, Berge & Sheridan, P.A., as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

Amoco Production Company _____
c/o J. W. Hawkins _____
Post Office Box 800 _____
Denver, Colorado 80201 _____
(303) 830-5072 _____
name, address, phone and
contact person

William F. Carr, Esq. _____
Campbell, Carr, Berge & Sheridan, P.A.
Post Office Box 2208 _____
Santa Fe, New Mexico 87504 _____
(505) 988-4421 _____

OPPOSITION OR OTHER PARTY

ATTORNEY

name, address, phone and
contact person

PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Bill Hawkins, Petroleum Engineer	10 Min.	Approximately 4

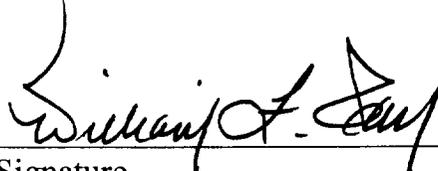
OPPOSITION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
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PROCEDURAL MATTERS

(Please identify any procedural matters which need to be resolved prior to hearing)

Amoco will request that Cases 11555, 11556, 11557, 11559, 11560 and 11558 be consolidated for the purpose of hearing.


Signature

STATEMENT OF CASE

APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

Amoco Production Company, applicant in the above-styled cause, seeks an order from the Division, pursuant to the "Rules and Procedures for Qualification of Well Workover Projects and Certification for the Well Workover Incentive Tax Rate," as promulgated by Division Order No. R-10505 for its Lackey "B" LS Well No. 13M (API No. 30-045-23888), located 1025 feet from the North line and 1655 feet from the West line (Unit C) of Section 20, Township 28 North, Range 9 West.

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)