



AMOCO PRODUCTION COMPANY

Application for Qualification of Well
Workover Project

L. C. Kelly No. 4E Well

NMOCD CASE NO. 11560

JUNE 27, 1996

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

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WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN

MICHAEL H. FELDEWERT
TANNIS L. FOX
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PAUL R. OWEN

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SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

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
L.C. Kelly No. 4E 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 L. C. Kelly No. 4E, Unit D, 1160 feet from the North Line and 920 feet from the West line, Section 3, Township 30 North, Range 12 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

APPLICATION,

Page 2

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 L.C. Kelly No. 4E, Unit D, 1160 feet from the North line and 920 feet from the West line, Section 3, Township 30 North, Range 12 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 L. C. Kelly #4E D-3-30N-12W 30-045-25843

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. Chavez".

Frank T. Chavez
District Supervisor

FTC\sh

cc: well file

140-3-19

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: L.C. Kelly #4E API #: 3004525843

Location of Well: Unit Letter D, 1160 Feet from the North line and 920 Feet from the West line, Section 3, Township 30N, Range 12W, NMPM, San Juan County.

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

Date Workover Procedures were Completed: 7/10/95

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:

Flora Vista Gallup

VII. AFFIDAVIT:

State of Colorado)
) ss.
County of Denver)

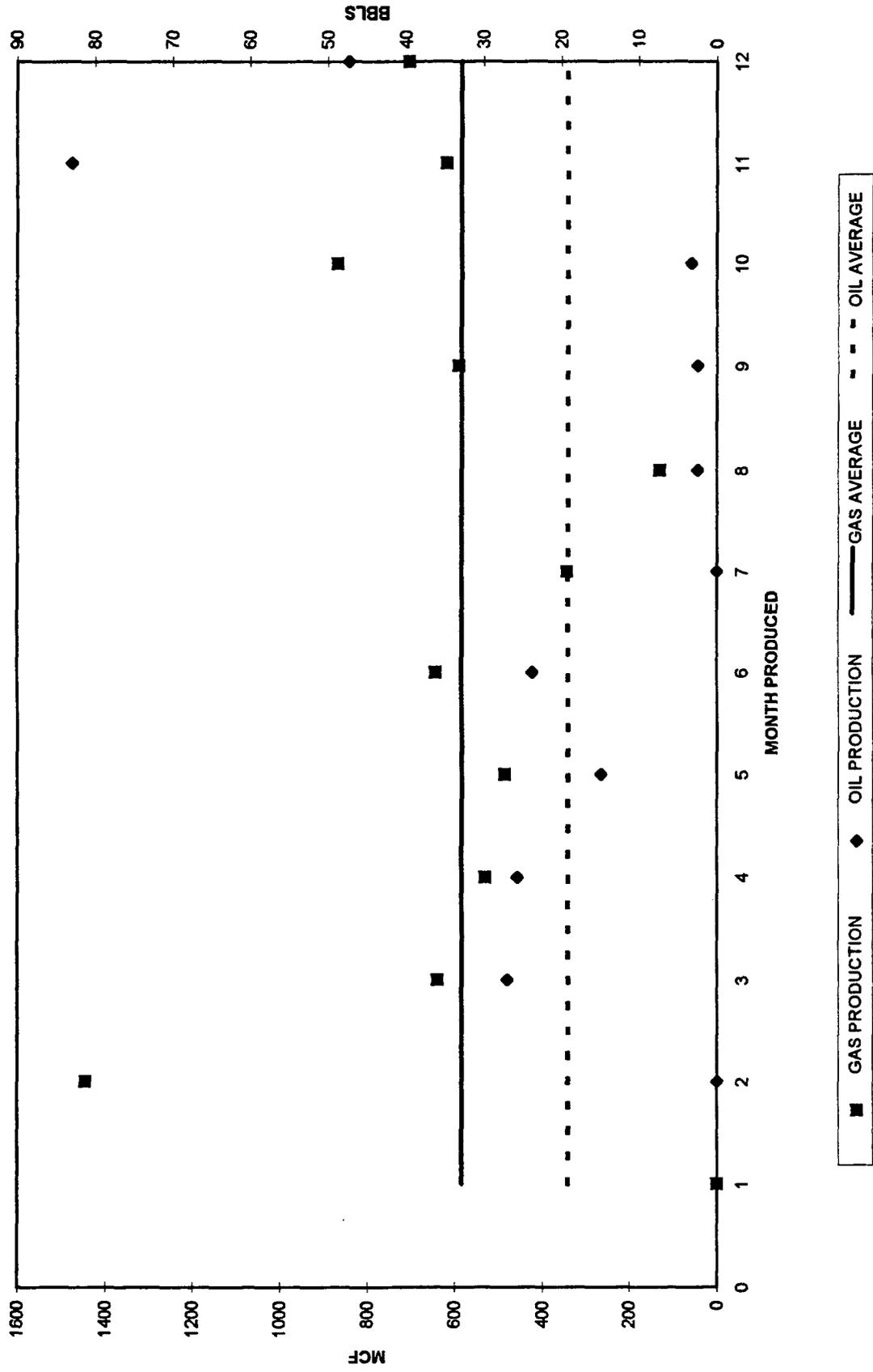
RECEIVED
APR 26 1996
OIL CON. DIV.
DIST. 3

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)

DECLINE CURVE



WELLNAME	WELLNO	POOL	FLAC	API	QOSTR	MONTH	OIL	GAS	
L.C. Kelly 4E	E004D03	FLORA VISTA-GALLUP	84615002	3004525843	NWNW0003030012	7/94	0	0	
L.C. Kelly 4E	E004D03	FLORA VISTA-GALLUP	84615002	3004525843	NWNW0003030012	8/94	0	1445	
L.C. Kelly 4E	E004D03	FLORA VISTA-GALLUP	84615002	3004525843	NWNW0003030012	09/94	27	640	
L.C. Kelly 4E	E004D03	FLORA VISTA-GALLUP	84615002	3004525843	NWNW0003030012	10/94	25.73	531	
L.C. Kelly 4E	E004D03	FLORA VISTA-GALLUP	84615002	3004525843	NWNW0003030012	11/94	14.94	486	
L.C. Kelly 4E	E004D03	FLORA VISTA-GALLUP	84615002	3004525843	NWNW0003030012	12/94	23.77	643	
L.C. Kelly 4E	E004D03	FLORA VISTA-GALLUP	84615002	3004525843	NWNW0003030012	01/95	0	343	
L.C. Kelly 4E	E004D03	FLORA VISTA-GALLUP	84615002	3004525843	NWNW0003030012	02/95	2.49	131	
L.C. Kelly 4E	E004D03	FLORA VISTA-GALLUP	84615002	3004525843	NWNW0003030012	03/95	2.49	590	
L.C. Kelly 4E	E004D03	FLORA VISTA-GALLUP	84615002	3004525843	NWNW0003030012	04/95	3.32	868	
L.C. Kelly 4E	E004D03	FLORA VISTA-GALLUP	84615002	3004525843	NWNW0003030012	05/95	83	618	
L.C. Kelly 4E	E004D03	FLORA VISTA-GALLUP	84615002	3004525843	NWNW0003030012	06/95	47.31	703	
12-month average -							Future Rate	19	583

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

(See other instructions on reverse side)

RECEIVED

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL: OIL WELL GAS WELL DRY OTHER

b. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. RESVR. OTHER

2. NAME OF OPERATOR: Amoco Production Company
Attention: Lois Raeburn

3. ADDRESS AND TELEPHONE NO.: P.O. Box 800, Denver, Colorado 80201 (303) 830-5294

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 1160' FNL 920' FWL UNIT D
At top prod. interval reported below
At total depth

5. LEASE DESIGNATION AND SERIAL NO.: SF 081239

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.: L. C. Kelly # 4 E

9. API WELL NO.: 30045 25843

10. FIELD AND POOL, OR WILDCAT: Blanco Mesaverde

11. SEC., T., R., M., OR BLOCK, AND SURVEY OR AREA: Section 3
Township 30 N Range 12 W

14. PERMIT NO. DATE ISSUED

12. COUNTY OR PARISH: San Juan 13. STATE: New Mexico

15. DATE SPUDDED: 12-16-83 16. DATE T.D. REACHED: 12-30-83 17. DATE COMPL. (Ready to prod.): 7/10/95 18. ELEVATIONS (DF, RKB, RT, GR, ETC.): 5952' KB 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD: 6998' 21. PLUG, BACK T.D., MD & TVD 22. IF MULTIPLE COMPL., HOW MANY*: 3 23. INTERVALS DRILLED BY 24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)*: Mesaverde 4596' - 4696' DAK 6780' - 6842' Gallup 5865' - 6136' 25. WAS DIRECTIONAL SURVEY MADE: N

6. TYPE ELECTRIC AND OTHER LOGS RUN: Gamma Ray 27. WAS WELL CORED: N

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"	36#	334'	12 1/4"	360 CF CL B / 2% Calc2	
5 1/2"	14.5#	6998'	7 7/8"	Stg. 1. 424 CF Poz 50/50 Cl B Neat CMT 65/35, 2. 118 CF Cl B Neat CMT 65/35, 3. 493 CF Poz Tail w/ 118 CF CL B Neat	Tail w 118 CF

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2.375	6837'	

31. PERFORATION RECORD (Interval, size and number): See Attached

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.
DEPTH INTERVAL (MD): See Attached
AMOUNT AND KIND OF MATERIAL USED

33. PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump)	WELL STATUS (Producing or shut-in)
7/10/95	Flowing	SN wo pipeline

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N FOR TEST PERIOD	OIL - BBL.	GAS - MCF.	WATER - BBL.	GAS-OIL RATIO
7/10/1995	24	32/64		0	857	259	

LOW TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL - BBL.	GAS - MCF.	WATER - BBL.	OIL GRAVITY - API (CORR.)
125 PSI	285 PSI					

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.): To be sold

TEST WITNESSED BY: ACCEPTED FOR RECORD

35. LIST OF ATTACHMENTS: SRBU RECEIVED JUL 20 1995

6. I hereby certify that the foregoing and attached information was examined from all available records

SIGNED: Lois Raeburn TITLE: Staff Assistant FARMINGTON DISTRICT OFFICE

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

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations or to knowingly and willfully submit any false, fictitious or fraudulent documents or records to any such department or agency.

L. C. Kelly E 4 Sec 3, T 30N, R 12 W, Unit D, 1160' FNL, 920' FWL
API 30045 25843 Lease # SF 081239

On 6/30/95 MIRUSU, NDWH, NUBOP, Tally Out TBG, TIH w/ PKR Plucker Mill, Latch onto PKR and mill out.. Lay DN PKR. Set RBP, Load hole & Test CSG to 3000# Held OK. Run Corr log, for perf in the MV zone.

PERF: 4596' - 4696' W/2 JSPF, .380" DIAM. 181 SHOTS OPEN. Total of 13 Sots

FRAC: 4596' - 4696' Pad w/ 133,821 SCF 70 Qual N2 Foam, Frac w/ 736,065 SCF 70 Qual N2 Foam, 85,000 # 16/30 Brady Sand, 1500# 16/30 Brady LC Sand.

Brakedown Pressure: Max PSI 3,031 PSI, Max Rate 40.1 BPM

Flowback well, Rec 259 BBLS Wtr, Flowing w/ 1/2" Choke, SI well

Land TBG @ 6837', Open well to test, Mesaverde, Gallup, and Dakota. Flow test, well stable.
RDSUMO on 7/10/95.

NMOCD Case No. 11560

L. C. Kelly #4E Well

Orig. Compl. 1984 in Basin Dakota and Flora Vista Gallup.

Workover 6/30/95 - 7/10/95

Perf and Frac Blanco Mesaverde.

Complete as downhole commingle of all three zones.

* Avg 12 month production is in error (Used Flora Vista Gallup data only).

Data should include both the Flora Vista Gallup and Basin Dakota from 7/94-6/95.

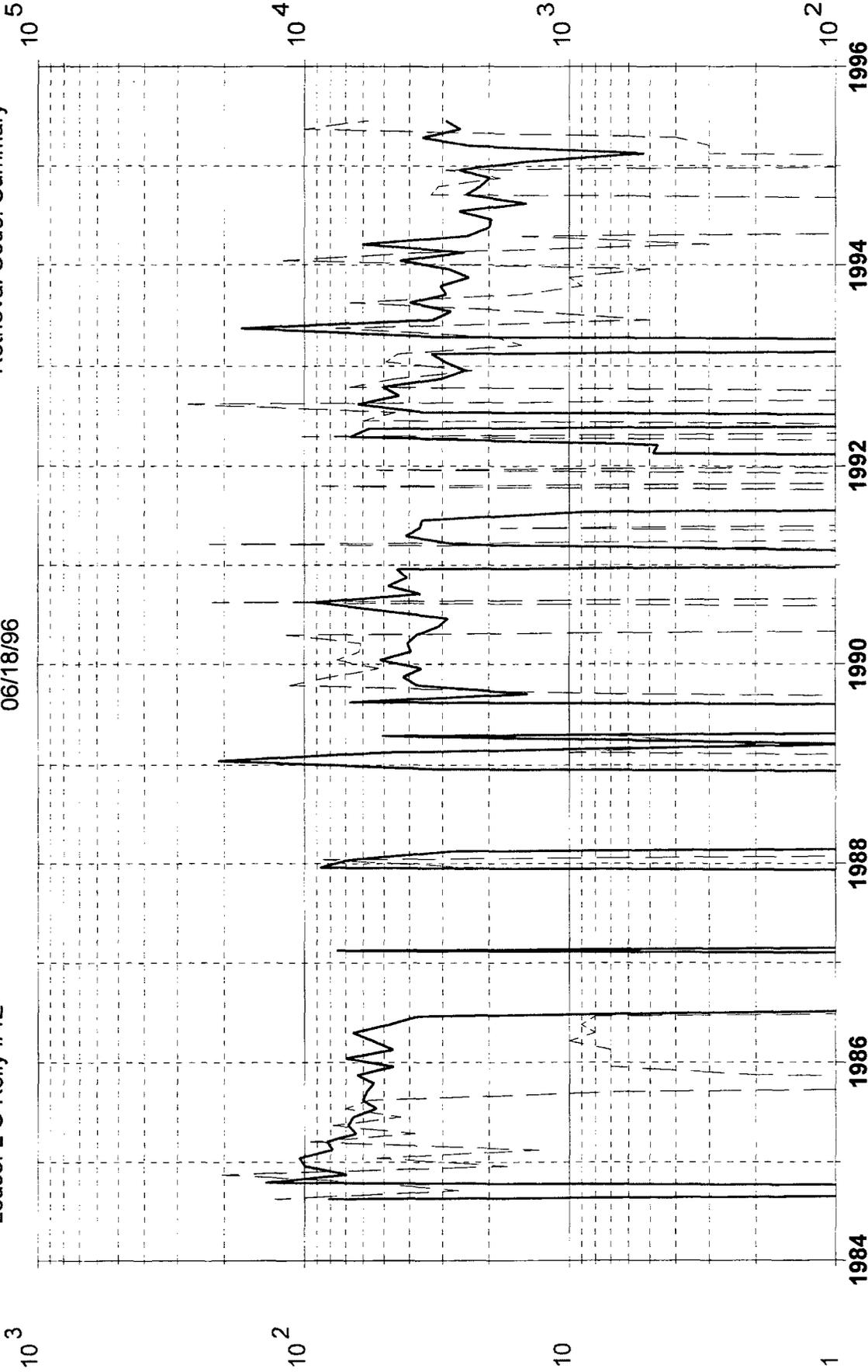
Avg. 12 month production should be 2212 mcf/mo. for both zones combined.

Dwights

Lease: L C Kelly #4E

06/18/96

Retrieval Code: Summary



County: SAN JUAN	, NM	F. P. Date: 08/84
Field:		Oil Cum: 3647 bbl
Reservoir:		Gas Cum: 430.5 mmcf
Operator: AMOCO PRODUCTION CO		Location: 3D 30N 12W

Oil (bbl/mo)

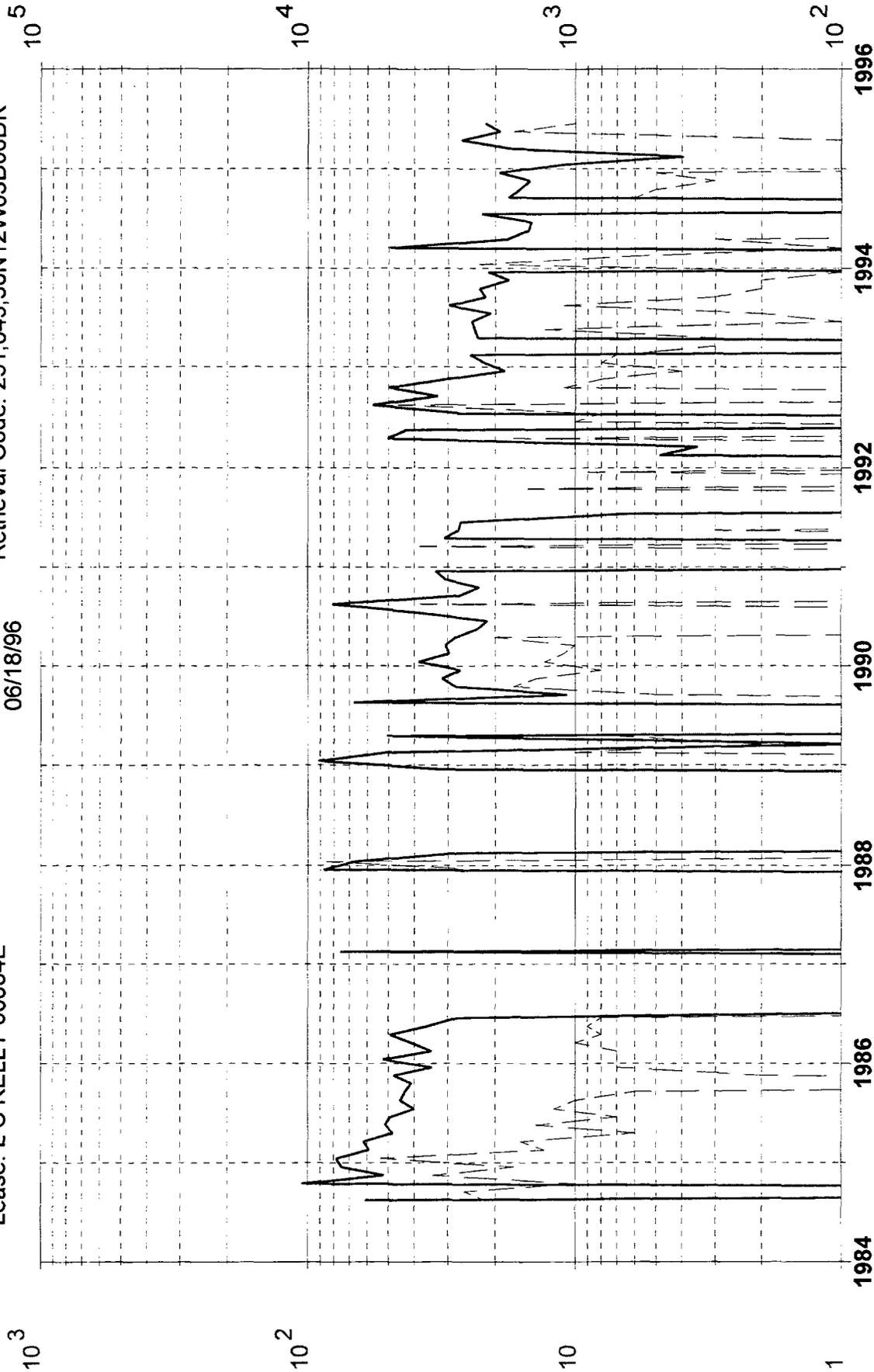
Gas (mcf/mo)

Dwights

Lease: L C KELLY 00004E

06/18/96

Retrieval Code: 251,045,30N12W03D00DK



Oil (bbl/mo)

Gas (mcf/mo)

County: SAN JUAN, NM	F.P. Date: 08/84
Field: BASIN (DAKOTA) DK	Oil Cum: 886 bbl
Reservoir: DAKOTA	Gas Cum: 312.6 mmcf
Operator: AMOCO PRODUCTION CO	Location: 3D 30N 12W

Dwights

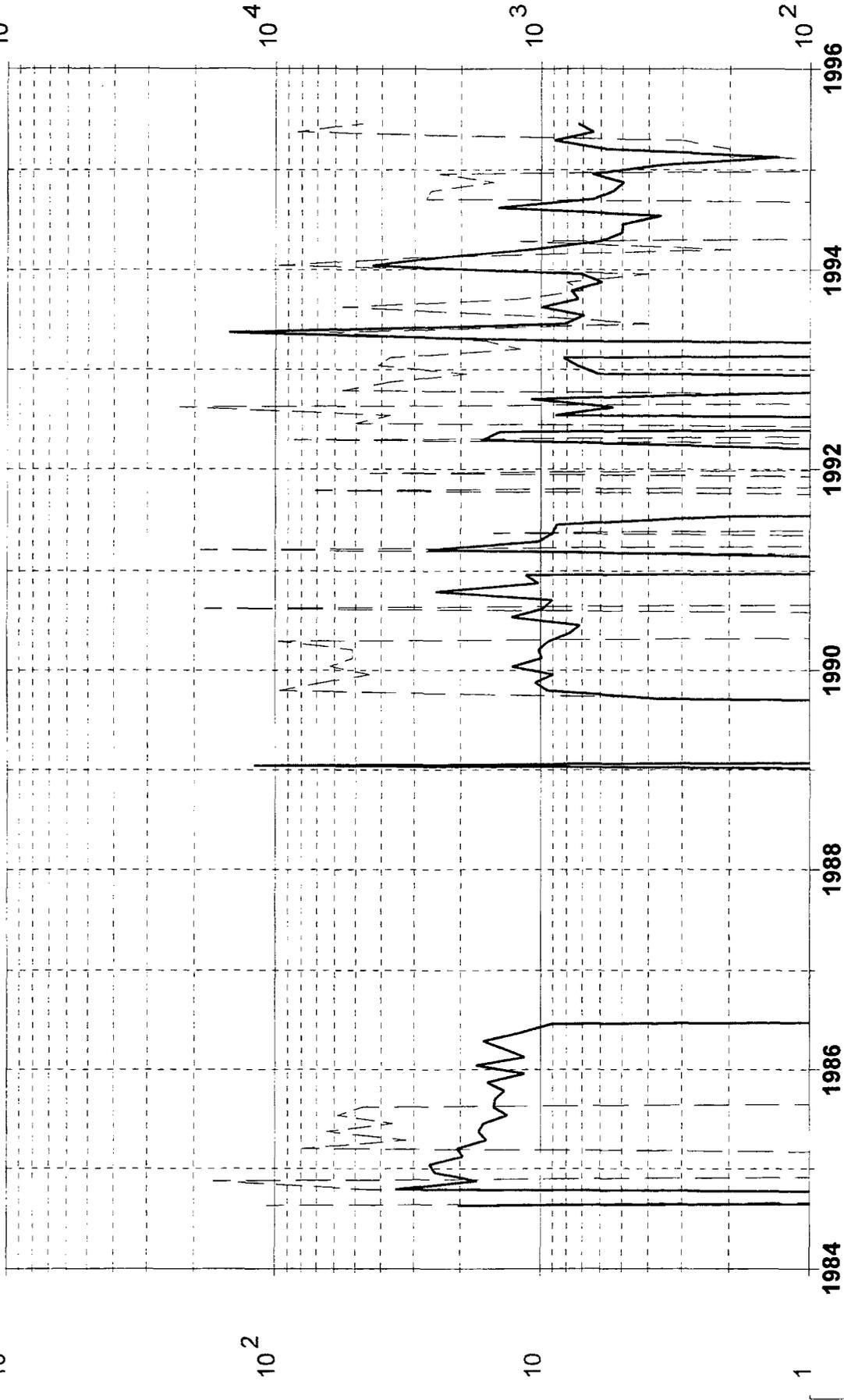
Lease: L C KELLY 00004E

06/18/96

Retrieval Code: 251,045,30N12W03D00GP

10^5

10^3



Oil (bbl/mo)

Gas (mcf/mo)

County: SAN JUAN, NM

F.P. Date: 08/84

Field: FLORA VISTA (GALLUP) GP

Oil Cum: 2761 bbl

Reservoir: GALLUP

Gas Cum: 117.9 mmcf

Operator: AMOCO PRODUCTION CO

Location: 3D 30N 12W

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

RUN DATE: 05/09/96
 Published 4/96
 (#251,045,30N12W03D00DK)

OPERATOR (#19922)	WELL NAME	WELL #
AMOCO PRODUCTION CO	L C KELLY	00004E

LOCATION	STATE	DIST	COUNTY (#045)	LEASE #
3D 30N 12W	NM	004	SAN JUAN	40605

API #	FIELD (#8004974)	RESERVOIR
30-045-2584300	BASIN (DAKOTA) DK	DAKOTA

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

COMP DATE	1ST PROD DATE	LAST PROD DATE	STATUS DATE	STATUS
	8408	9506		ACT

CUM THRU LPD GAS/MCF	GAS CUM SINCE DATE	CUM THRU LPD COND/BBLs	COND CUM SINCE DATE
312608	FPDAT	886	FPDAT

*** MONTHLY PRODUCTION HISTORY ***

MONTH	GAS MCF	CUM GAS MCF	COND BBLs	CUM COND BBLs	WATER BBLs	DAYS ON
JAN	0	227068	0	644	0	0
FEB	483	227551	0	644	0	4
MAR	349	227900	0	644	0	6
APR	5007	232907	17	661	0	30
MAY	4283	237190	0	661	0	31
JUN	0	237190	10	671	0	28
JUL	2641	239831	8	679	0	31
AUG	5715	245546	46	725	0	31
SEP	3266	248812	0	725	0	26
OCT	4948	253760	11	736	0	31
NOV	3020	256780	8	744	0	24
DEC	1838	258618	4	748	0	28
1992	31550	258618	104	748	0	
JAN	2196	260814	8	756	0	31
FEB	2468	263282	7	763	0	28
MAR	0	263282	3	766	0	31
APR	2325	265607	3	769	0	30
MAY	2387	267994	13	782	0	31
JUN	2441	270435	1	783	0	30
JUL	2077	272512	2	785	0	31
AUG	2967	275479	11	796	0	31
SEP	2177	277656	3	799	0	30
OCT	2283	279939	2	801	0	31
NOV	1779	281718	2	803	0	21
DEC	2125	283843	1	804	0	31
1993	25225 (2102)	283843	56	804	0	
JAN	0	283843	23	827	0	-
FEB	0	283843	6	833	0	28
MAR	4914	288757	1	834	0	31
APR	1810	290567	3	837	0	-
MAY	1498	292065	0	837	0	-
JUN	1461	293526	0	837	0	-
JUL	2235	295761	0	837	0	-
AUG	0	295761	0	837	0	0
SEP	1786	297547	6	843	0	-
OCT	1615	299162	5	848	0	31
NOV	1483	300645	3	851	0	30
DEC	1929	302574	5	856	0	31
1994	18731 (1561)	302574	52	856	0	
JAN	1098	303672	0	856	0	31
FEB	394	304066	1	857	0	28
MAR	1768	305834	1	858	0	31
APR	2673	308507	1	859	0	30
MAY	1924	310431	17	876	0	31
JUN	2177	312608	10	886	0	30
1995	10034 (11672)	312608	30	886	0	

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

RUN DATE: 05/09/96
 Published 4/96
 (#251,045,30N12W03D00GP)

OPERATOR (#19922)	WELL NAME	WELL #
AMOCO PRODUCTION CO	L C KELLY	00004E

LOCATION	STATE	DIST	COUNTY (#045)	LEASE #
3D 30N 12W	NM	004	SAN JUAN	1995

API #	FIELD (#8028074)	RESERVOIR
30-045-2584300	FLORA VISTA (GALLUP) GP	GALLUP

TOTAL DEPTH	UPPER PERF	LOWER PERF	GAS GATH	LIQ GATH	GAS GRAV	LIQ GRAV	TEMP GRAD	N-FACTOR
			ELNAT	G R			1.600	

COMP DATE	1ST PROD DATE	LAST PROD DATE	STATUS DATE	STATUS
	8408	9506		ACT

CUM THRU LPD GAS/MCF	GAS CUM SINCE DATE	CUM THRU LPD COND/BBLs	COND CUM SINCE DATE
117911	FPDAT	2761	FPDAT

*** MONTHLY PRODUCTION HISTORY ***

MONTH	GAS MCF	CUM GAS MCF	COND BBLs	CUM COND BBLs	WATER BBLs	DAYS ON
JAN	0	72075	0	1609	0	0
FEB	0	72075	0	1609	0	0
MAR	116	72191	0	1609	0	6
APR	1668	73859	85	1694	0	30
MAY	1427	75286	0	1694	0	31
JUN	0	75286	50	1744	0	28
JUL	880	76166	37	1781	0	31
AUG	540	76706	227	2008	0	31
SEP	1088	77794	0	2008	0	26
OCT	54	77848	56	2064	0	31
NOV	0	77848	37	2101	0	24
DEC	612	78460	19	2120	0	28
1992	6385	78460	511	2120	0	
JAN	731	79191	41	2161	0	31
FEB	822	80013	37	2198	0	28
MAR	0	80013	12	2210	0	31
APR	775	80788	16	2226	0	30
MAY	14884	95672	63	2289	0	31
JUN	813	96485	4	2293	0	30
JUL	693	97178	12	2305	0	31
AUG	989	98167	56	2361	0	31
SEP	727	98894	12	2373	0	30
OCT	769	99663	7	2380	0	31
NOV	593	100256	8	2388	0	21
DEC	709	(625) 100965	4	2392	0	31
1993	22505	(875) 100965	272	2392	0	
JAN	4320	105285	97	2489	0	-
FEB	2462	107747	29	2518	0	-
MAR	1096	108843	2	2520	0	-
APR	603	109446	12	2532	0	-
MAY	501	109947	0	2532	0	-
JUN	499	110446	0	2532	0	-
JUL	359	110805	0	2532	0	-
AUG	1445	112250	0	2532	0	-
SEP	640	112890	27	2559	0	-
OCT	539	113429	26	2585	0	31
NOV	494	113923	15	2600	0	30
DEC	643	114566	24	2624	0	31
1994	13601	(1133) 114566	232	2624	0	
JAN	366	114932	0	2624	0	31
FEB	131	115063	2	2626	0	28
MAR	590	115653	2	2628	0	31
APR	891	116544	3	2631	0	30
MAY	641	117185	83	2714	0	31
JUN	726	117911	47	2761	0	30
1995	3345	(557) 117911	137	2761	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: L.C. Kelly #4E API #: 3004525843
Location of Well: Unit Letter D, 1160 Feet from the North line and 920 Feet from the West line, Section 3, Township 30N, Range 12W, NMPM, San Juan County.

III. Date Workover Procedures Commenced: 6/30/95
Date Workover Procedures were Completed: 7/10/95

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:

Flora Vista Gallup & Basin Dakota

VII. AFFIDAVIT:

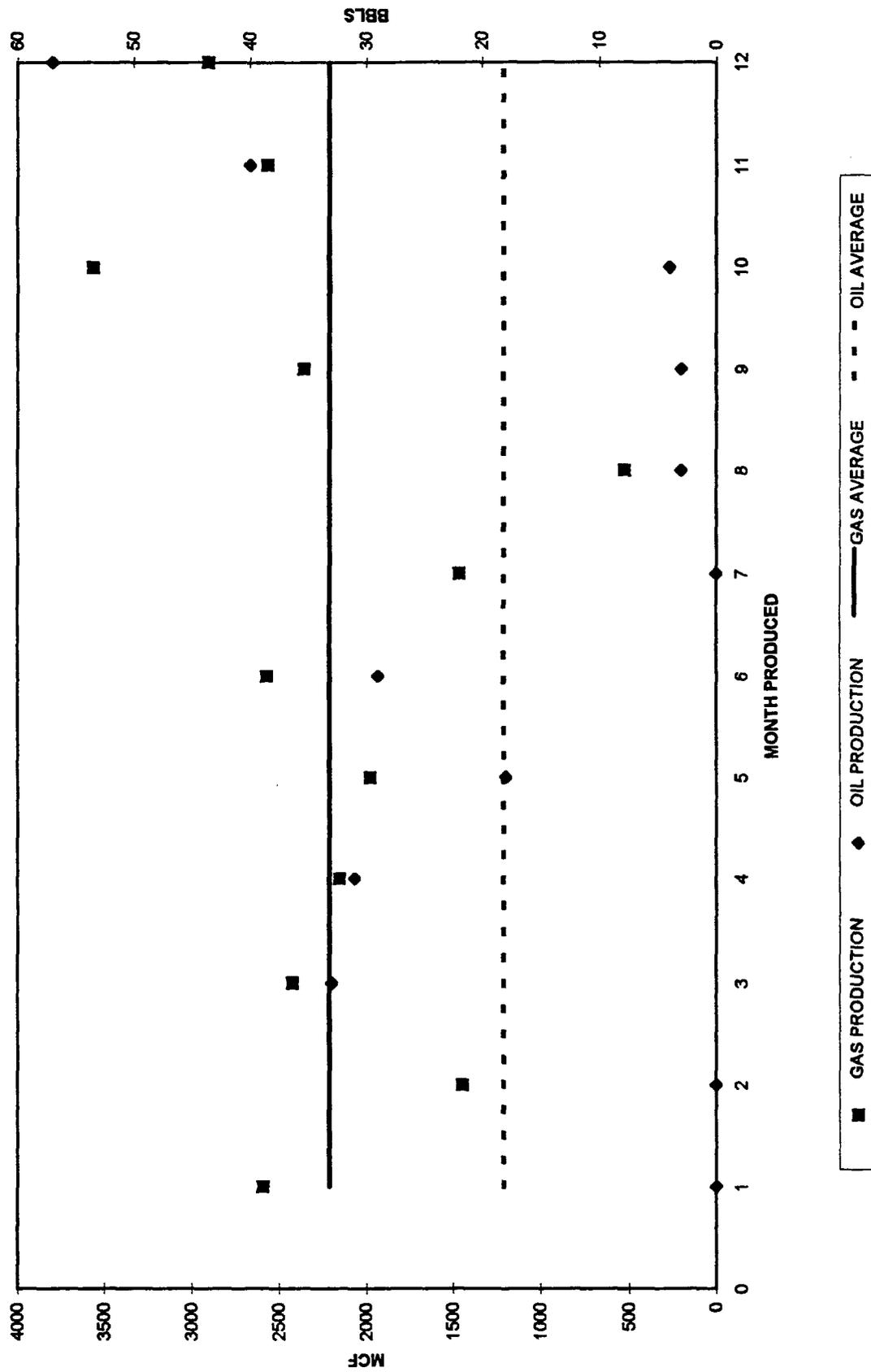
State of Colorado)
) ss.
County of Denver)

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.

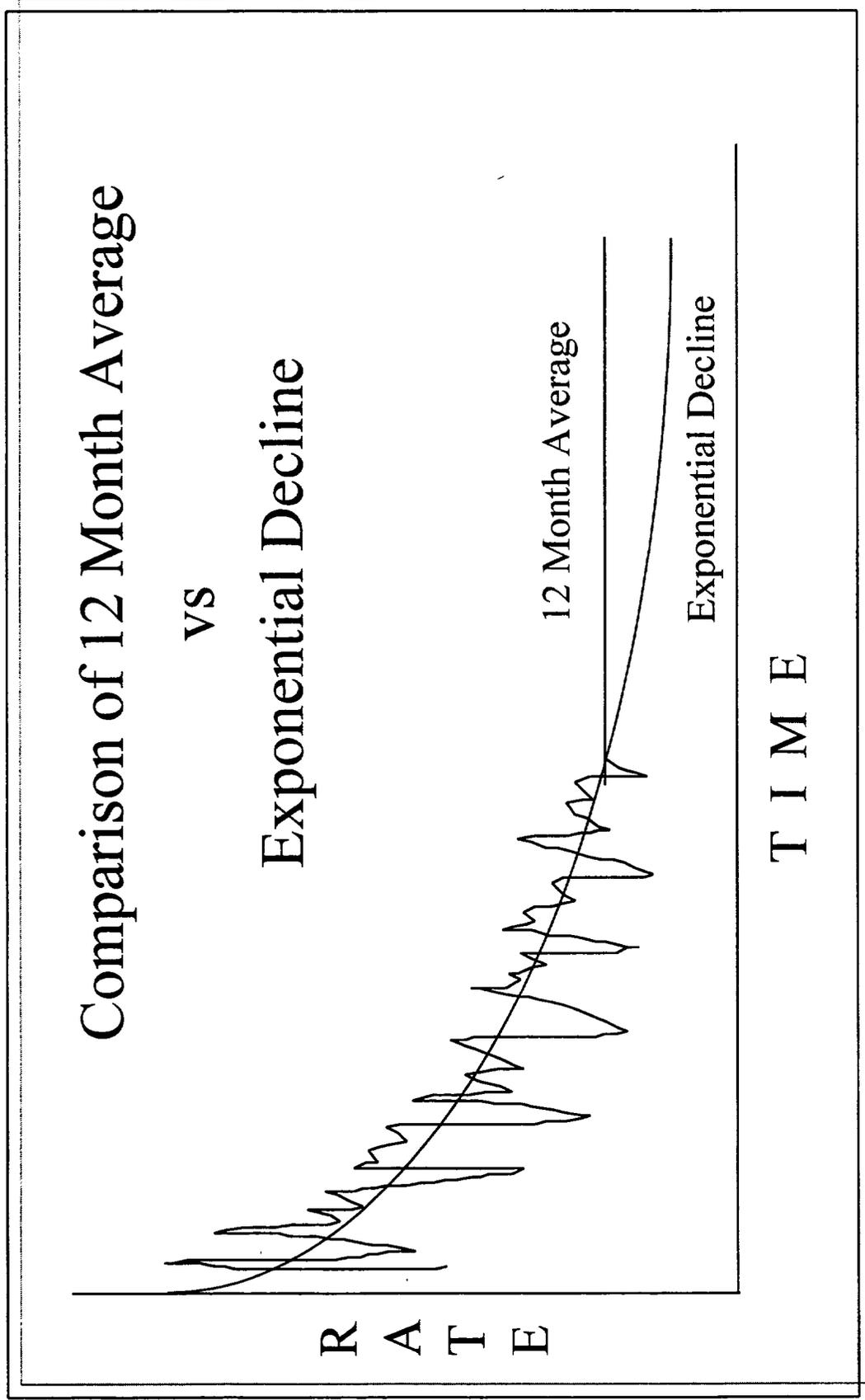
Patricia J. Haeefe
(Name)
Staff Assistant
(Title)

DECLINE CURVE



WELLNAME	WELNO	POOL	FLAC	API	QOATR	MONTH	OIL	QAS
L.C. Kelly 4E	E094D03	FLORA VISTA-GALLUP/Bas in Dakota	84616002	3004526843	NWNNW003030012	7/94	0	2594
						8/94	0	1445
						09/94	33	2426
						10/94	31	2164
						11/94	18	1977
						12/94	29	2672
						01/95	0	1464
						02/95	3	626
						03/95	3	2368
						04/95	4	3564
						05/95	40	2566
						06/95	37	2903
						Projected Trend	18	2212
						12-month average -		

Production Projection Method



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.

