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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 and 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

H-0263

APPLICATION FOR
QUALIFICATION OF WELL WORKOVER PROJECT
AND CERTIFICATION OF APPROVAL

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

I. Operator: Collins & Ware, Inc. OGRID #: 004874
Address: 508 W. Wall, Suite 1200, Midland, Texas 79701
Contact Party: Chuck Sledge Phone: (915) 687-3435

II. Name of Well: Hamilton, W.W. "A" No. 2 API #: 30-025-12485
Location of Well: Unit Letter I, 1980 Feet from the South line and 660 feet from the East line,
Section 34, Township 16S, Range 38E, NMPM, Lea County

III. Date Workover Procedures Commenced: 8/16/96
Date Workover Procedures were Completed: 9/3/96

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:
36290 Knowles Devonian

VII. AFFIDAVIT:

State of Texas)
County of Midland) ss.

Chuck Sledge, 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.

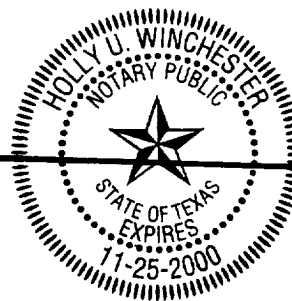
Chuck Sledge
(Name) Chuck Sledge
Operations Engineer
(Title)

M

SUBSCRIBED AND SWORN TO before me this 19th day of December, 1996

Holly U. Winchester
Notary Public

My Commission expires: 11-25-2000



FOR OIL CONSERVATION DIVISION USE ONLY:

VIII. CERTIFICATION OF APPROVAL:

This Application for Qualification of Well Workover Project is hereby approved and the above referenced Well is designated as a Well Workover Project pursuant to the "Natural Gas and Crude Oil Production Incentive Act" (Laws 1995, Chapter 15, Sections 1 through 8). The Oil Conservation Division hereby verifies the Production Projection for the Well Workover Project attached to this application. By copy of this Application and Certification of Approval, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval and certifies that this Well Workover Project has been completed as of 9-3-96, 1996.

[Signature]
District Supervisor, District 1, Woodlands
Oil Conservation Division

Date: 2/21/97

IX. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT.

DATE: _____

**ATTACHMENT TO FORM C-140
COLLINS & WARE, INC.
HAMILTON, W.W. "A" No. 2**

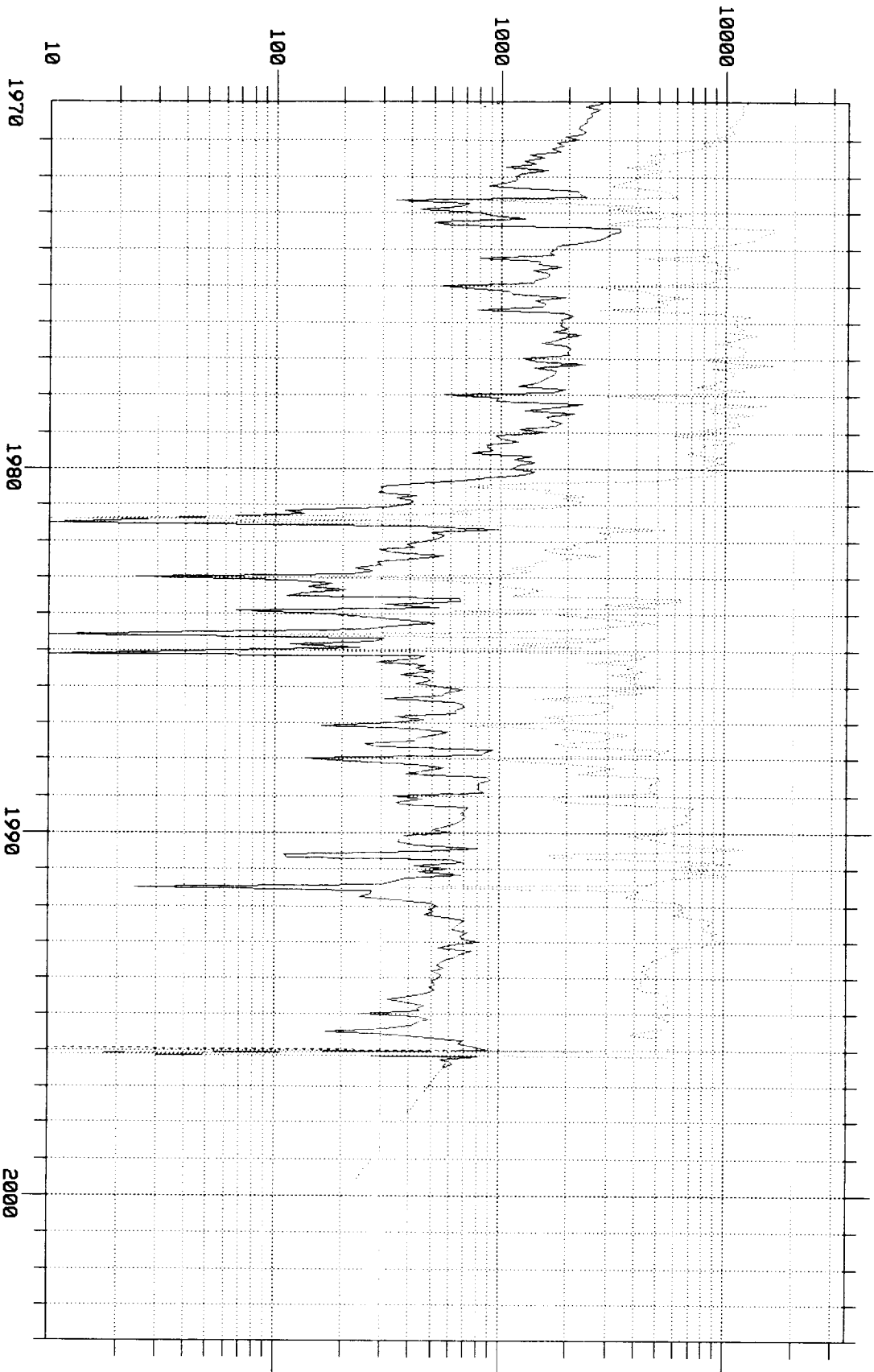
- IV.** Workover performed to replace tubing, clean-out wellbore, and replace hydraulic pumping equipment with an electric submersible pump.

Calculated
 Oil
 Gas - - -
 Water - - -

W. W. HAMILTON A
 Production Rate vs Time
 Bbl/Mo or Mcf/Mo vs Months
 COLLINS & WARE, INC.
 01/70 TO 12/2000

Production
 Oil
 Gas - - -
 Water - - -

36290 Knowles Devonian



Reported Oil Production = 10223613 Bbls
 Reported Gas Production = 127568 Mcf
 Reported Water Production = 2639297 Bbls

PRODUCTION DATA REPORT
 Calculated Monthly Production Totals
 W W HAMILTON A

Month	Liquid (Bbls)	YEAR 1996	
		Gas (Mcf)	Water (Bbls)
Oct	524	0	0
Nov	512	0	0
Dec	500	0	0
TOTAL	1536	0	0

Month	Liquid (Bbls)	YEAR 1997	
		Gas (Mcf)	Water (Bbls)
Jan	488	0	0
Feb	477	0	0
Mar	465	0	0
Apr	454	0	0
May	444	0	0
Jun	433	0	0
Jul	423	0	0
Aug	413	0	0
Sep	403	0	0
Oct	394	0	0
Nov	384	0	0
Dec	375	0	0
TOTAL	5153	0	0

Month	Liquid (Bbls)	YEAR 1998	
		Gas (Mcf)	Water (Bbls)
Jan	367	0	0
Feb	358	0	0
Mar	349	0	0
Apr	341	0	0
May	333	0	0
Jun	325	0	0
Jul	318	0	0
Aug	310	0	0
Sep	303	0	0
Oct	296	0	0
Nov	289	0	0
Dec	282	0	0
TOTAL	3871	0	0

W. W. HAMILTON A - W W HAMILTON A | 2 | COLLINS & WARE INC | Occ #2

PRODUCTION DATA REPORT
Calculated Monthly Production Totals
W W HAMILTON A

Month	Liquid (Bbls)	YEAR 1999 Gas (Mcf)	Water (Bbls)
Jan	275	0	0
Feb	269	0	0
Mar	262	0	0
Apr	256	0	0
May	250	0	0
Jun	244	0	0
Jul	238	0	0
TOTAL	1794	0	0

W. W. HAMILTON A - W W HAMILTON A | 2 | COLLINS & WARE INC | Occ #2

PRODUCTION DATA REPORT
Forecast Information

	Curve Fit	Projection
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Product Type	: OIL	--
Decline Curve Type	: EXPONENTIAL	--
Hyperbolic Exponent	: 0.000000	--
Initial Decline (%/Yr)	: 24.910000 %	--
Start Date	: 01/1996	08/1996
End Date	: 07/1996	07/1999
Correlation Coefficient	: 0.807607	--
Economic Limit (Bbl/Mo)	: 235	235
Initial Prod. Rate (Bbl/Mo)	: 650	550
Final Prod. Rate (Bbl/Mo)	: 563	238
Cum. Reported Production (BBls)	: 1025965	--
Projected Life (Years)	: --	3.000
Projected Production (BBls)	: --	13441
Ultimate Recovery (BBls)	: --	1039406