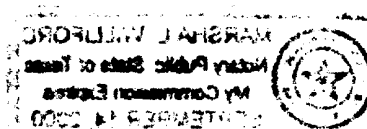


District I - (505) 393-6161
P. O. Box 1980
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 S. First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Aztec, NM 87410
District IV

New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131
H-0397

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

- I. Operator: Mitchell Energy Corporation OGRID #: 015025
Address: P.O. Box 4000, The Woodlands, TX 77387-4000
Contact Party: Mark N. Stephenson Phone: 713-377-5818
- II. Name of Well: Geronimo Federal Well No. 2 API #: 30-025-30992
Location of Well: Unit Letter E, 1980 Feet from the North line and 660 feet from the West line,
Section 31, Township 19S, Range 33E, NMPM, Lea County
- III. Date Workover Procedures Commenced: 7-2-97
Date Workover Procedures were Completed: 7-2-97
- 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:
Geronimo Delaware Pool

VII. AFFIDAVIT:

State of Texas)
County of Montgomery) ss.

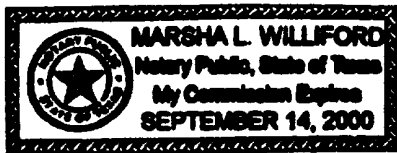
Maryann Fuchs, being first duly sworn, upon oath states:

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.

Maryann C. Fuchs Maryann C. Fuchs
(Name)
Staff Reservoir Engineer (713) 377-6951
(Title)



SUBSCRIBED AND SWORN TO before me this 8th day of October, 1997.



Marsha L. Williford
Notary Public

My Commission expires: September 14, 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 7-2-97, 1997.

Paul G. Kautz
District Supervisor, District 1
Oil Conservation Division

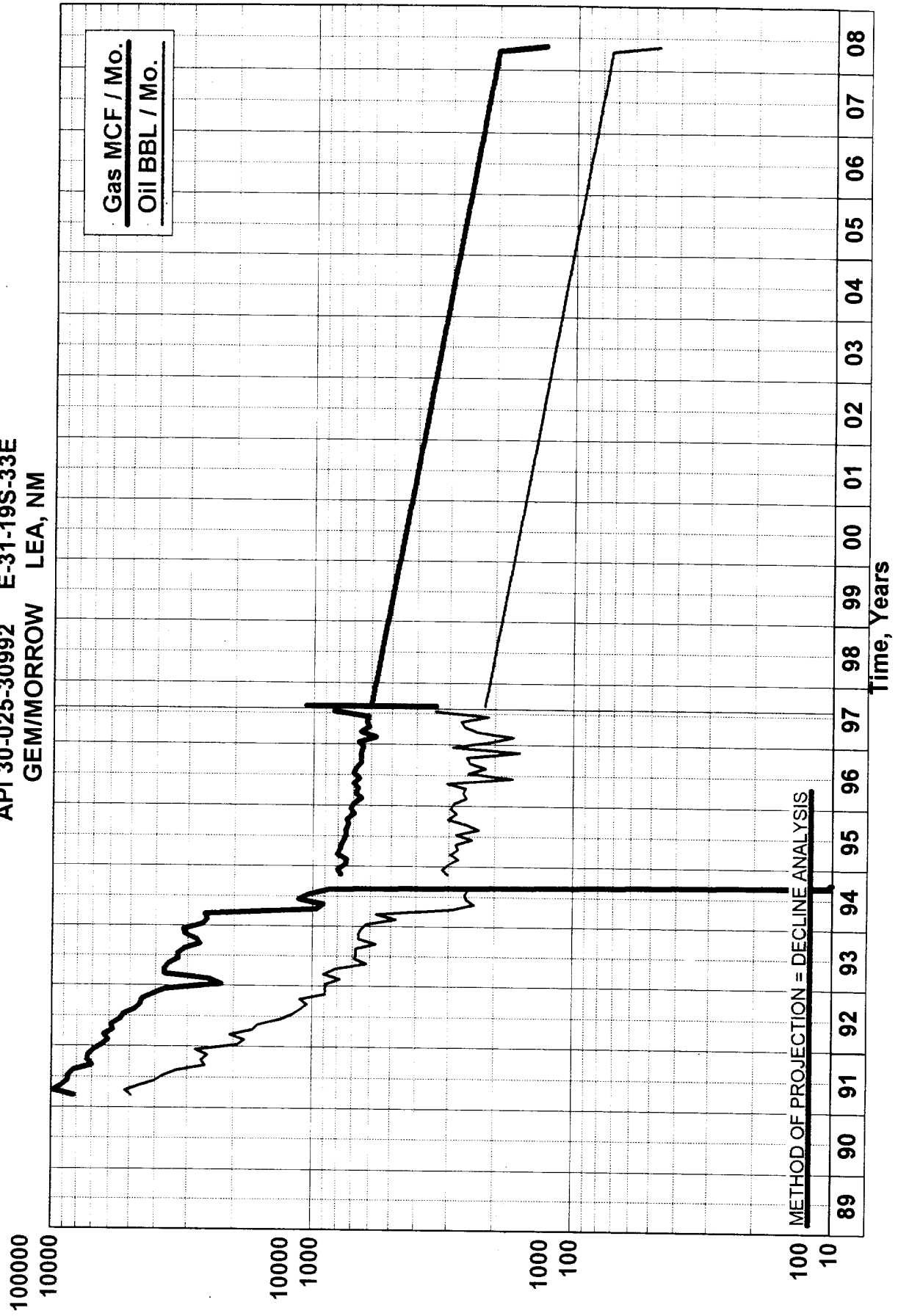
Date: 10/28/97

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

DATE: _____



007987 GERONIMO FEDERAL 2
 API 30-025-30992 E-31-19S-33E
 GEM/MORROW LEA, NM



007987 Geronimo Federal 2
Gem / Morrow Field
Lea County, New Mexico
Operated by Mitchell Energy Corporation
Historical Production Through July 1997 With Projection

API 30-025-30992
Location E-31-19S-33E

<u>Date</u>	<u>Monthly Oil Prod. Hist. Bbl</u>	<u>Monthly Oil Prod. Proj. Bbl</u>	<u>Cum. Oil Prod. Bbl</u>	<u>Monthly Gas Prod. Hist. Mcf</u>	<u>Monthly Gas Prod. Proj. Mcf</u>	<u>Cum. Gas Prod. Mcf</u>
Jan-90	0		0	0		0
Feb-90	0		0	0		0
Mar-90	0		0	0		0
Apr-90	0		0	0		0
May-90	0		0	0		0
Jun-90	0		0	0		0
Jul-90	0		0	0		0
Aug-90	0		0	0		0
Sep-90	0		0	0		0
Oct-90	0		0	0		0
Nov-90	0		0	0		0
Dec-90	8		8	0		0
	<u>8</u>			<u>0</u>		
Jan-91	0		8	0		0
Feb-91	0		8	0		0
Mar-91	4,921		4,929	81,863		81,863
Apr-91	5,205		10,134	98,338		180,201
May-91	4,603		14,737	91,423		271,624
Jun-91	4,004		18,741	86,759		358,383
Jul-91	3,749		22,490	86,312		444,695
Aug-91	3,312		25,802	82,254		526,949
Sep-91	2,560		28,362	69,838		596,787
Oct-91	2,655		31,017	72,898		669,685
Nov-91	2,508		33,525	72,053		741,738
Dec-91	2,790		36,315	68,633		810,371
	<u>36,307</u>			<u>810,371</u>		
Jan-92	1,932		38,247	63,859		874,230
Feb-92	1,809		40,056	60,590		934,820
Mar-92	2,052		42,108	62,715		997,535
Apr-92	1,688		43,796	58,064		1,055,599
May-92	1,613		45,409	59,129		1,114,728
Jun-92	1,323		46,732	54,366		1,169,094
Jul-92	1,191		47,923	52,894		1,221,988
Aug-92	1,112		49,035	47,720		1,269,708
Sep-92	1,045		50,080	45,798		1,315,506
Oct-92	1,112		51,192	44,965		1,360,471
Nov-92	889		52,081	40,776		1,401,247
Dec-92	892		52,973	36,377		1,437,624
	<u>16,658</u>			<u>627,253</u>		

007987 Geronimo Federal 2
Gem / Morrow Field
Lea County, New Mexico
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Historical Production Through July 1997 With Projection

API 30-025-30992
Location E-31-19S-33E

<u>Date</u>	<u>Monthly Oil Prod. Hist. Bbl</u>	<u>Monthly Oil Prod. Proj. Bbl</u>	<u>Cum. Oil Prod. Bbl</u>	<u>Monthly Gas Prod. Hist. Mcf</u>	<u>Monthly Gas Prod. Proj. Mcf</u>	<u>Cum. Gas Prod. Mcf</u>
Jan-93	887		53,860	22,270		1,459,894
Feb-93	778		54,638	24,715		1,484,609
Mar-93	903		55,541	36,844		1,521,453
Apr-93	813		56,354	36,973		1,558,426
May-93	618		56,972	35,432		1,593,858
Jun-93	686		57,658	32,737		1,626,595
Jul-93	678		58,336	32,813		1,659,408
Aug-93	682		59,018	30,886		1,690,294
Sep-93	568		59,586	26,989		1,717,283
Oct-93	662		60,248	27,904		1,745,187
Nov-93	665		60,913	30,794		1,775,981
Dec-93	651		61,564	31,106		1,807,087
	8,591			369,463		
Jan-94	623		62,187	26,468		1,833,555
Feb-94	477		62,664	25,315		1,858,870
Mar-94	567		63,231	25,786		1,884,656
Apr-94	290		63,521	9,659		1,894,315
May-94	240		63,761	9,103		1,903,418
Jun-94	256		64,017	11,311		1,914,729
Jul-94	260		64,277	10,333		1,925,062
Aug-94	252		64,529	8,554		1,933,616
Sep-94	0		64,529	102		1,933,718
Oct-94	0		64,529	0		1,933,718
Nov-94	304		64,833	7,780		1,941,498
Dec-94	318		65,151	8,001		1,949,499
	3,587			142,412		
Jan-95	300		65,451	7,467		1,956,966
Feb-95	276		65,727	7,404		1,964,370
Mar-95	295		66,022	8,039		1,972,409
Apr-95	276		66,298	7,867		1,980,276
May-95	282		66,580	7,772		1,988,048
Jun-95	245		66,825	7,564		1,995,612
Jul-95	281		67,106	7,440		2,003,052
Aug-95	231		67,337	7,438		2,010,490
Sep-95	257		67,594	7,310		2,017,800
Oct-95	302		67,896	7,386		2,025,186
Nov-95	281		68,177	6,956		2,032,142
Dec-95	295		68,472	7,149		2,039,291
	3,321			89,792		

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<u>Date</u>	<u>Monthly Oil Prod. Hist. Bbl</u>	<u>Monthly Oil Prod. Proj. Bbl</u>	<u>Cum. Oil Prod. Bbl</u>	<u>Monthly Gas Prod. Hist. Mcf</u>	<u>Monthly Gas Prod. Proj. Mcf</u>	<u>Cum. Gas Prod. Mcf</u>
Jan-96	287		68,759	6,963		2,046,254
Feb-96	257		69,016	6,511		2,052,765
Mar-96	264		69,280	6,861		2,059,626
Apr-96	259		69,539	6,708		2,066,334
May-96	305		69,844	6,967		2,073,301
Jun-96	171		70,015	6,636		2,079,937
Jul-96	253		70,268	6,982		2,086,919
Aug-96	217		70,485	6,831		2,093,750
Sep-96	250		70,735	6,552		2,100,302
Oct-96	257		70,992	6,533		2,106,835
Nov-96	161		71,153	6,527		2,113,362
Dec-96	290		71,443	6,442		2,119,804
	2,971			80,513		
Jan-97	210		71,653	6,661		2,126,465
Feb-97	170		71,823	5,742		2,132,207
Mar-97	234		72,057	6,560		2,138,767
Apr-97	262		72,319	6,104		2,144,871
May-97	270		72,589	6,234		2,151,105
Jun-97	212		72,801	6,141		2,157,246
Jul-97	339		73,140	8,310		2,165,556
Aug-97	0	219	73,359	0	5,998	2,171,554
Sep-97	0	217	73,576	0	5,947	2,177,501
Oct-97	0	215	73,791	0	5,897	2,183,397
Nov-97	0	213	74,005	0	5,847	2,189,244
Dec-97	0	212	74,216	0	5,797	2,195,041
	1,697	1,076		45,752	29,485	
Jan-98	0	210	74,426	0	5,748	2,200,789
Feb-98	0	208	74,634	0	5,699	2,206,488
Mar-98	0	206	74,840	0	5,651	2,212,139
Apr-98	0	205	75,045	0	5,603	2,217,743
May-98	0	203	75,248	0	5,556	2,223,298
Jun-98	0	201	75,449	0	5,509	2,228,807
Jul-98	0	199	75,648	0	5,462	2,234,269
Aug-98	0	198	75,846	0	5,416	2,239,685
Sep-98	0	196	76,042	0	5,370	2,245,055
Oct-98	0	194	76,236	0	5,325	2,250,380
Nov-98	0	193	76,429	0	5,279	2,255,659
Dec-98	0	191	76,620	0	5,235	2,260,894
	0	2,404		0	65,853	

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Gem / Morrow Field
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<u>Date</u>	<u>Monthly Oil Prod. Hist. Bbl</u>	<u>Monthly Oil Prod. Proj. Bbl</u>	<u>Cum. Oil Prod. Bbl</u>	<u>Monthly Gas Prod. Hist. Mcf</u>	<u>Monthly Gas Prod. Proj. Mcf</u>	<u>Cum. Gas Prod. Mcf</u>
Jan-99	0	189	76,809	0	5,190	2,266,085
Feb-99	0	188	76,997	0	5,147	2,271,231
Mar-99	0	186	77,183	0	5,103	2,276,334
Apr-99	0	185	77,368	0	5,060	2,281,394
May-99	0	183	77,551	0	5,017	2,286,411
Jun-99	0	182	77,733	0	4,974	2,291,385
Jul-99	0	180	77,913	0	4,932	2,296,317
Aug-99	0	179	78,091	0	4,891	2,301,208
Sep-99	0	177	78,268	0	4,849	2,306,057
Oct-99	0	175	78,444	0	4,808	2,310,865
Nov-99	0	174	78,618	0	4,767	2,315,633
Dec-99	0	173	78,790	0	4,727	2,320,360
	0	2,170		0	59,466	
Jan-00	0	171	78,961	0	4,687	2,325,047
Feb-00	0	170	79,131	0	4,647	2,329,694
Mar-00	0	168	79,299	0	4,608	2,334,302
Apr-00	0	167	79,466	0	4,569	2,338,871
May-00	0	165	79,631	0	4,530	2,343,401
Jun-00	0	164	79,795	0	4,492	2,347,893
Jul-00	0	163	79,958	0	4,454	2,352,347
Aug-00	0	161	80,119	0	4,416	2,356,763
Sep-00	0	160	80,279	0	4,379	2,361,142
Oct-00	0	158	80,437	0	4,342	2,365,483
Nov-00	0	157	80,594	0	4,305	2,369,788
Dec-00	0	156	80,750	0	4,268	2,374,057
	0	1,960		0	53,697	
Jan-01	0	154	80,905	0	4,232	2,378,289
Feb-01	0	153	81,058	0	4,197	2,382,486
Mar-01	0	152	81,210	0	4,161	2,386,647
Apr-01	0	151	81,360	0	4,126	2,390,773
May-01	0	149	81,510	0	4,091	2,394,863
Jun-01	0	148	81,658	0	4,056	2,398,920
Jul-01	0	147	81,805	0	4,022	2,402,941
Aug-01	0	146	81,950	0	3,988	2,406,929
Sep-01	0	144	82,094	0	3,954	2,410,883
Oct-01	0	143	82,238	0	3,921	2,414,804
Nov-01	0	142	82,379	0	3,887	2,418,691
Dec-01	0	141	82,520	0	3,854	2,422,546
	0	1,770		0	48,489	

007987 Geronimo Federal 2
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<u>Date</u>	<u>Monthly Oil Prod. Hist. Bbl</u>	<u>Monthly Oil Prod. Proj. Bbl</u>	<u>Cum. Oil Prod. Bbl</u>	<u>Monthly Gas Prod. Hist. Mcf</u>	<u>Monthly Gas Prod. Proj. Mcf</u>	<u>Cum. Gas Prod. Mcf</u>
Jan-02	0	139	82,660	0	3,822	2,426,367
Feb-02	0	138	82,798	0	3,789	2,430,157
Mar-02	0	137	82,935	0	3,757	2,433,914
Apr-02	0	136	83,071	0	3,726	2,437,640
May-02	0	135	83,206	0	3,694	2,441,334
Jun-02	0	134	83,340	0	3,663	2,444,997
Jul-02	0	133	83,472	0	3,632	2,448,628
Aug-02	0	131	83,604	0	3,601	2,452,229
Sep-02	0	130	83,734	0	3,570	2,455,800
Oct-02	0	129	83,863	0	3,540	2,459,340
Nov-02	0	128	83,991	0	3,510	2,462,850
Dec-02	0	127	84,118	0	3,481	2,466,331
	0	1,598		0	43,785	
Jan-03	0	126	84,244	0	3,451	2,469,782
Feb-03	0	125	84,369	0	3,422	2,473,204
Mar-03	0	124	84,493	0	3,393	2,476,597
Apr-03	0	123	84,616	0	3,364	2,479,961
May-03	0	122	84,738	0	3,336	2,483,297
Jun-03	0	121	84,858	0	3,307	2,486,604
Jul-03	0	120	84,978	0	3,279	2,489,884
Aug-03	0	119	85,097	0	3,252	2,493,135
Sep-03	0	118	85,214	0	3,224	2,496,359
Oct-03	0	117	85,331	0	3,197	2,499,556
Nov-03	0	116	85,447	0	3,170	2,502,726
Dec-03	0	115	85,561	0	3,143	2,505,869
	0	1,443		0	39,538	
Jan-04	0	114	85,675	0	3,116	2,508,985
Feb-04	0	113	85,788	0	3,090	2,512,075
Mar-04	0	112	85,900	0	3,064	2,515,139
Apr-04	0	111	86,011	0	3,038	2,518,177
May-04	0	110	86,121	0	3,012	2,521,189
Jun-04	0	109	86,230	0	2,987	2,524,176
Jul-04	0	108	86,338	0	2,961	2,527,137
Aug-04	0	107	86,445	0	2,936	2,530,073
Sep-04	0	106	86,551	0	2,911	2,532,985
Oct-04	0	105	86,657	0	2,887	2,535,872
Nov-04	0	104	86,761	0	2,862	2,538,734
Dec-04	0	104	86,865	0	2,838	2,541,572
	0	1,303		0	35,703	

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Jan-05	0	103	86,967	0	2,814	2,544,386
Feb-05	0	102	87,069	0	2,790	2,547,176
Mar-05	0	101	87,170	0	2,767	2,549,943
Apr-05	0	100	87,270	0	2,743	2,552,686
May-05	0	99	87,370	0	2,720	2,555,406
Jun-05	0	98	87,468	0	2,697	2,558,103
Jul-05	0	98	87,566	0	2,674	2,560,777
Aug-05	0	97	87,662	0	2,651	2,563,429
Sep-05	0	96	87,758	0	2,629	2,566,058
Oct-05	0	95	87,853	0	2,607	2,568,664
Nov-05	0	94	87,948	0	2,585	2,571,249
Dec-05	0	94	88,041	0	2,563	2,573,812
	0	1,177		0	32,240	
Jan-06	0	93	88,134	0	2,541	2,576,353
Feb-06	0	92	88,226	0	2,520	2,578,872
Mar-06	0	91	88,317	0	2,498	2,581,371
Apr-06	0	90	88,408	0	2,477	2,583,848
May-06	0	90	88,497	0	2,456	2,586,304
Jun-06	0	89	88,586	0	2,435	2,588,739
Jul-06	0	88	88,674	0	2,415	2,591,154
Aug-06	0	87	88,762	0	2,394	2,593,548
Sep-06	0	87	88,848	0	2,374	2,595,922
Oct-06	0	86	88,934	0	2,354	2,598,276
Nov-06	0	85	89,019	0	2,334	2,600,610
Dec-06	0	84	89,104	0	2,314	2,602,924
	0	1,063		0	29,112	
Jan-07	0	84	89,188	0	2,295	2,605,219
Feb-07	0	83	89,271	0	2,275	2,607,494
Mar-07	0	82	89,353	0	2,256	2,609,750
Apr-07	0	82	89,435	0	2,237	2,611,987
May-07	0	81	89,516	0	2,218	2,614,205
Jun-07	0	80	89,596	0	2,199	2,616,404
Jul-07	0	80	89,676	0	2,180	2,618,584
Aug-07	0	79	89,754	0	2,162	2,620,746
Sep-07	0	78	89,833	0	2,144	2,622,890
Oct-07	0	78	89,910	0	2,126	2,625,016
Nov-07	0	77	89,987	0	2,108	2,627,123
Dec-07	0	76	90,063	0	2,090	2,629,213
	0	960		0	26,289	

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Jan-08	0	76	90,139	0	2,072	2,631,285
Feb-08	0	75	90,214	0	2,054	2,633,339
Mar-08	0	74	90,288	0	2,037	2,635,376
Apr-08	0	74	90,362	0	2,020	2,637,396
May-08	0	48	90,411	0	1,326	2,638,722
Jun-08	0	0	90,411	0	0	2,638,722
Jul-08	0	0	90,411	0	0	2,638,722
Aug-08	0	0	90,411	0	0	2,638,722
Sep-08	0	0	90,411	0	0	2,638,722
Oct-08	0	0	90,411	0	0	2,638,722
Nov-08	0	0	90,411	0	0	2,638,722
Dec-08	0	0	90,411	0	0	2,638,722
	0	347		0	9,509	

DRILLING, WORKOVERS & PRODUCTION DATA

GEM	Perfs	Geronimo Federal #2
Lea County, NM	13,233-382'	LW: 05023-02
TD: 13,770'	13,533-624'	30" @ 40'
PBTD: 13,691'		20" @ 512'
		13 ³ / ₈ " @ 3064'
		8 ⁵ / ₈ " @ 5074'
		5 ¹ / ₂ " @ 13,769'

- 01/06/93 Acidize Cracker on dehy w/3 bbls 15% NEFE flushed w/20 bbls FW.
- 01/15/93 Trade stack-pack (5000# coils) to Crazy Horse "18" Federal #1 for 250,000 BTU (3000# coil) stack-pack. MEC 632 previously filed (Gas well). **FINAL REPORT.**
- 6/18/97 Set Tidewater Ajax DPC-81 integral gas engine-driven, two-stage gas compressor. Hooked up suction line. **FINAL REPORT.**
- 7/2/97 Set gas compressor. Hooked up gas supply lines & dump lines. Hooked up suction & discharge line. Started compressor. Put Geronimo #2 & Anasazi #9 on line @ 1100 hrs selling 530 MCFD. **FINAL REPORT.**