

District I - (505) 393-0101
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

Form C-140
Originated 11/1/95

Submit Original
Plus 2 Copies
to appropriate
District Office

4-0261

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: Hare, J.G. No. 7 API #: 30-025-06967
Location of Well: Unit Letter M, 660 Feet from the South line and 990 feet from the West line,
Section 33, Township 21S, Range 37E, NMPM, Lea County
- III. Date Workover Procedures Commenced: 11/18/96
Date Workover Procedures were Completed: 12/07/96
- IV. Attach a description of the Workover Procedures undertaken to increase the production 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:
06660 Blinebry Oil & Gas
- 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.

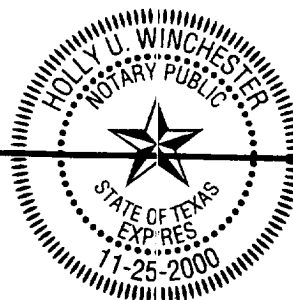
Chuck Sledge
(Name)

Operations Engineer
(Title)

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 12-7-96, 1996.

[Signature]
District Supervisor, District 1 Geologist
Oil Conservation Division
Date: 2/21/97

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

DATE: _____

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO. 30-025-06967	
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name Hare, JG	
8. Well No. 7	
9. Pool name or Wildcat Blinebry Oil & Gas	

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER	
2. Name of Operator Collins & Ware, Inc.	
3. Address of Operator 508 W. Wall, Suite 1200, Midland, Texas 79701	
4. Well Location Unit Letter <u>M</u> : <u>660</u> Feet From The <u>South</u> Line and <u>990</u> Feet From The <u>West</u> Line Section <u>33</u> Township <u>21S</u> Range <u>37E</u> NMPM Lea County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3461' DF	

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/></p> <p>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/></p> <p>PULL OR ALTER CASING <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p>	<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input checked="" type="checkbox"/> ALTERING CASING <input type="checkbox"/></p> <p>COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/></p> <p>CASING TEST AND CEMENT JOB <input type="checkbox"/></p> <p>OTHER: add pay to Blinebry <input checked="" type="checkbox"/></p>

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

11/21/96 Tagged fill at 5791'. Clean out fill to 5917'. Drill cement 5917' - 5935'. Drill CIBP at 5935'. Tag PBDT at 6008'. Log 5950' - 5500'. Set CIBP at 6005' with 5 sx cement on top.

11/22/96 Perf with 1 SPF 5764' - 5914' (60 perfs). Set packer at 5751' and acidize new perfs with 2500 gals 15% Ferchek acid.

11/25/96 Set packer at 5203'. Frac well with 98,000 gals of Delta-Frac 25 carrying 275,000# 16/30 sand.

11/26/96 Set tubing at 5566.11'. Swab well.

12/07/96 Run rods adn 2" x 1 1/4" x 16' RHBC pump. Start well on production.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Dianne Sumrall TITLE Production Supervisor DATE 12/16/96

TYPE OR PRINT NAME Dianne Sumrall TELEPHONE NO. (915) 687-3435

(This space for State Use)

ORIGINAL SIGNED BY JERRY SEXTON
DISTRICT I SUPERVISOR

APPROVED BY _____ TITLE _____ DATE 12/16/96

CONDITIONS OF APPROVAL, IF ANY:

PRODUCTION DATA REPORT
General Header Information

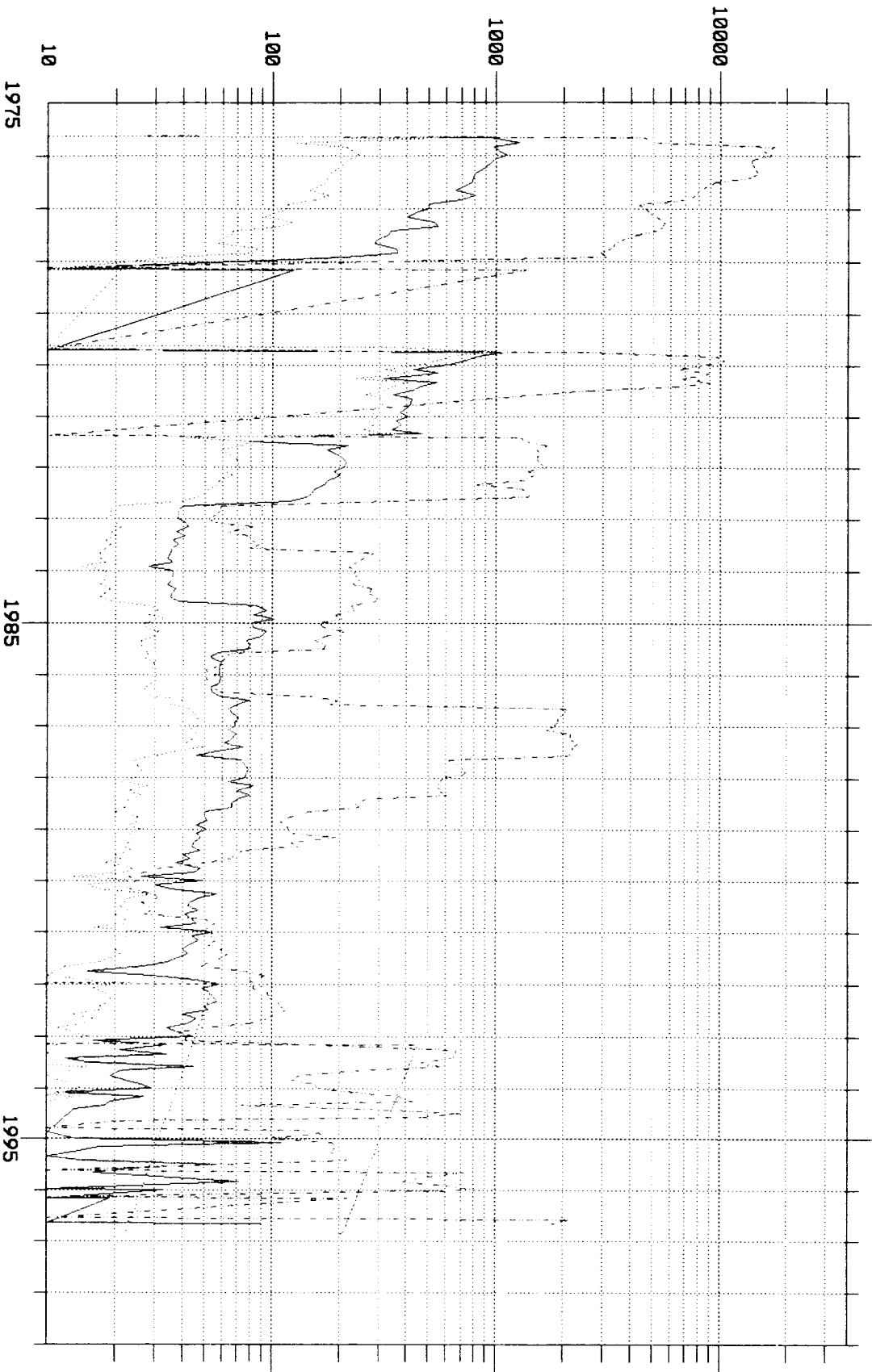
State Name	: New Mexico	State Code	: 30
County/Parish Name	: LEA	Region Code	: NM
County/Parish Code	: 25	District Code	: 21
Additional Counties:	(),	(),	()
Field Name	: BLINEBRY OIL AND GAS		
Field Code	: 6050		
Lease Name	: J G HARE		
Lease/Unit Code	: 019159		
Operator Name	: COLLINS & WARE INCORPORATED		
Operator Code	: 97826	Enhanced Recovery	:
Base Meridian	: 23	Well Serial	: 02506967066
Township	: 021S	Well Number	: 7
Range	: 037E		
Section	: 33	Mode	: A
Spot Location	: M	Field Gravity	: 0.0
Primary Product	: OIL	Coalbed Flag	:
Formation	: 452BLBR	Production Started	: 09/1975
AAPG Basin Code	: 430	Production Ended	: 03/1996
Reservoir Name	: BLINEBRY	Reservoir Code	: 414

HARE J. G. NO.7 - J G HARE|7|COLLINS & WARE INCORPORATED

Calculated
Oil
Gas
Water

HARE, J. G. NO. 7
Production Rate vs Time
Bbl/Mo or Mcf/Mo vs Months
COLLINS & HARE, INC.
068660 BLINEBRY OIL & GAS

Production
Oil
Gas
Water



Reported Oil Production = 38496 Bbls
Reported Gas Production = 375590 Mcf
Reported Water Production = 16234 Bbls

PRODUCTION DATA REPORT
 Calculated Monthly Production Totals
 J G HARE

Month	Liquid (Bbls)	YEAR 1996 Gas (Mcf)	Water (Bbls)
-----	-----	-----	-----
Dec	0	0	0
TOTAL	0	0	0

HARE J. G. NO.7 - J G HARE|7|COLLINS & WARE INCORPORATED

PRODUCTION DATA REPORT
Forecast Information

	Curve Fit	Projection
	-----	-----
Product Type	: OIL	--
Decline Curve Type	: EXPONENTIAL	--
Hyperbolic Exponent	: 0.000000	--
Initial Decline (%/Yr)	: 16.992731 %	--
Start Date	: 01/1992	
End Date	: 09/1996	
Correlation Coefficient	: 0.315935	
Economic Limit (Bbl/Mo)	: 23	
Initial Prod. Rate (Bbl/Mo)	: 55	
Final Prod. Rate (Bbl/Mo)	: 23	
Cum. Reported Production (Bbls)	: 38586	
Projected Life (Years)	: --	
Projected Production (Bbls)	: --	
Ultimate Recovery (Bbls)	: --	
Product Type	: GAS	--
Decline Curve Type	: EXPONENTIAL	--
Hyperbolic Exponent	: 0.000000	--
Initial Decline (%/Yr)	: 18.879944 %	--
Start Date	: 03/1993	
End Date	: 09/1996	
Correlation Coefficient	: 0.039642	
Economic Limit (Mcf/Mo)	: 216	
Initial Prod. Rate (Mcf/Mo)	: 450	
Final Prod. Rate (Mcf/Mo)	: 216	
Cum. Reported Production (Mcf)	: 379519	
Projected Life (Years)	: --	
Projected Production (Mcf)	: --	
Ultimate Recovery (Mcf)	: --	