

P.O. Box 1980  
Hobbs, NM 88241-1980  
District II - (505) 748-1283  
811 S. First  
Aztec, 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-0262

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: Gill Deep No. 1 API #: 30-025-25030  
Location of Well: Unit Letter M, 720 Feet from the South line and 720 feet from the West line,  
Section 31, Township 21S, Range 37E, NMPM, Lea County
- III. Date Workover Procedures Commenced: 10/07/96  
Date Workover Procedures were Completed: 11/06/96 12/10/96
- 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:  
19190 Drinkard
- 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.

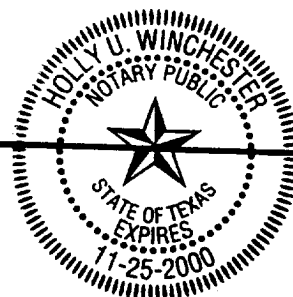
Chuck Sledge  
(Name) Chuck Sledge

Operations Engineer  
(Title)

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 12/10/96, 1996.

Paul G. Raut  
District Supervisor, District 1  
Oil Conservation Division Geologist

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. 30-025-25030
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 Gill Deep
8. Well No. 1
9. Pool name or Wildcat Tubb
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3468' GR

**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 <input type="checkbox"/>	2. Name of Operator Collins & Ware, Inc.
3. Address of Operator 508 W. Wall, Suite 1200, Midland, Texas 79701	4. Well Location Unit Letter M : 720 Feet From The South Line and 720 Feet From The West Line Section 31 Township 21S Range 37E NMPM Lea County

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: Re-complete in the Tubb <input checked="" type="checkbox"/>

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.

Please see attachment.

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 10/22/96  
TYPE OR PRINT NAME Dianne Sumrall TELEPHONE NO. (915) 687-31

(This space for State Use)

Orig. Signed by  
Paul Kautz  
Geologist

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

NOV 05 1996

**ATTACHMENT TO FORM C-103  
COLLINS & WARE, INC.  
GILL DEEP #1**

10/09/96	Patched parted 8 5/8" surface casing by welding two halves of 3 1/2' piece of 9 5/8" casing to the 8 5/8". Top of patch welded to bradenhead. Set weight on patched pipe. Patch holding. Tag PBTB at 6587.5'. Set CIBP at 6500' and dumped 5 sacks cement on top.
10/10/96	TIH with GR/CCL. Tag PBTB at 6451'. Log interval 6451' - 4800'. Spot 200 gals 15% NEFE acid from 6300' - 6100'.
10/11/96	Perf Tubb from 6175' - 6295' with 1 SPF (35 holes). Set packer at 6120'. Acidize perms with 2500 gals 15% Ferchek acid.
10/14/96	Frac well with 55,000 gals Delta frac 25 carrying 150,000# 16/30 sand.
10/15/96	Start out of hole with 3 1/2" tubing and wellhead started moving. Secured wellhead with wood sills. Set RBP at 5230'.
10/16/96	Found large hole in 8 5/8" at 15 1/2' - pipe parted below 17'. Welded base plate to bottom of 9 5/8" patch. Filled excavation around surface casing with 11 yards of Redi-Mix. Top of cement at Bradenhead valve.
10/18/96	POOH with RBP. TIH and set packer with 10,000# compression. Currently swabbing and production testing.

**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. 30-025-25030	
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  Gill Deep	
8. Well No. 1	
9. Pool name or Wildcat Blinebry Oil & Gas	

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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 <input type="checkbox"/>	
2. Name of Operator Colchins & Ware, Inc.	
3. Address of Operator 508 W. Wall, Suite 1200, Midland, Texas 79701	
4. Well Location: Unit Letter M : 720 Feet From The South Line and 720 Feet From The West Line Section 31 Township 21S Range 37E NMPM Lea County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3468' GR	

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

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.

We completed this well in the Tubb 6175' - 6295' and have been production testing. We now plan to plugback and perforate the Blinebry (5535-5805) and test for productivity. We will then evaluate the possibility of downhole commingling the Tubb and Blinebry. We will follow the procedure set out in our permit to plugback approved 11/05/96, except we will set the retrievable bridge plug at 5900' instead of 6100'. We hope to start the work the first week in December.

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 11/27/96  
 TYPE OR PRINT NAME Dianne Sumrall TELEPHONE NO. (915) 687-3435

(This space for State Use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE DEC 13 1996

CONDITIONS OF APPROVAL, IF ANY:

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--25-25030
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	Gill Deep
8. Well No.	1
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 ☒ GAS WELL ☐ 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 M : 720 Feet From The South Line and 720 Feet From The West Line  
Section 31 Township 21S Range 37E NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)  
3468' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

**NOTICE OF INTENTION TO:**

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐  
OTHER: ☐

**SUBSEQUENT REPORT OF:**

REMEDIAL WORK ☒ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐  
CASING TEST AND CEMENT JOB ☐  
OTHER: Complete in Blinebry ☒

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.

12/03/96 Set RBP at 5900' and spot 400 gals 15% Ferchek acid from 5810' - 5410'.

12/04/96 Selectively perf Blinebry 5535' - 5805' with 36 holes. Set packer at 5465' and acidize perms with 3000 gals 15% Ferchek acid. Achieved ballout with 40 balls on formation.

12/07/96 Frac well with 90,000 gals Delta-Frac 25 carrying 195,000# 16/30 sand. New PBD is 5896'.

12/10/96 Run rods and 2" x 1 1/4" x 12' x 13' x 15' pump. Will start production testing.

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

SIGNATURE  TITLE Production Supervisor DATE 12/16/96

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

(This space for State Use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE Dec 31 1996

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	: DRINKARD		
Field Code	: 17300		
Lease Name	: GILL DEEP		
Lease/Unit Code	: 019156		
Operator Name	: COLLINS & WARE INCORPORATED		
Operator Code	: 97826	Enhanced Recovery	:
Base Meridian	: 23	Well Serial	: 02525030191
Township	: 021S	Well Number	: 1
Range	: 037E		
Section	: 31	Mode	: A
Spot Location	: M	Field Gravity	: 0.0
Primary Product	: OIL	Coalbed Flag	:
Formation	: 452DRKD	Production Started	: 06/1975
AAPG Basin Code	: 430	Production Ended	: 03/1996
Reservoir Name	: DRINKARD	Reservoir Code	: 427

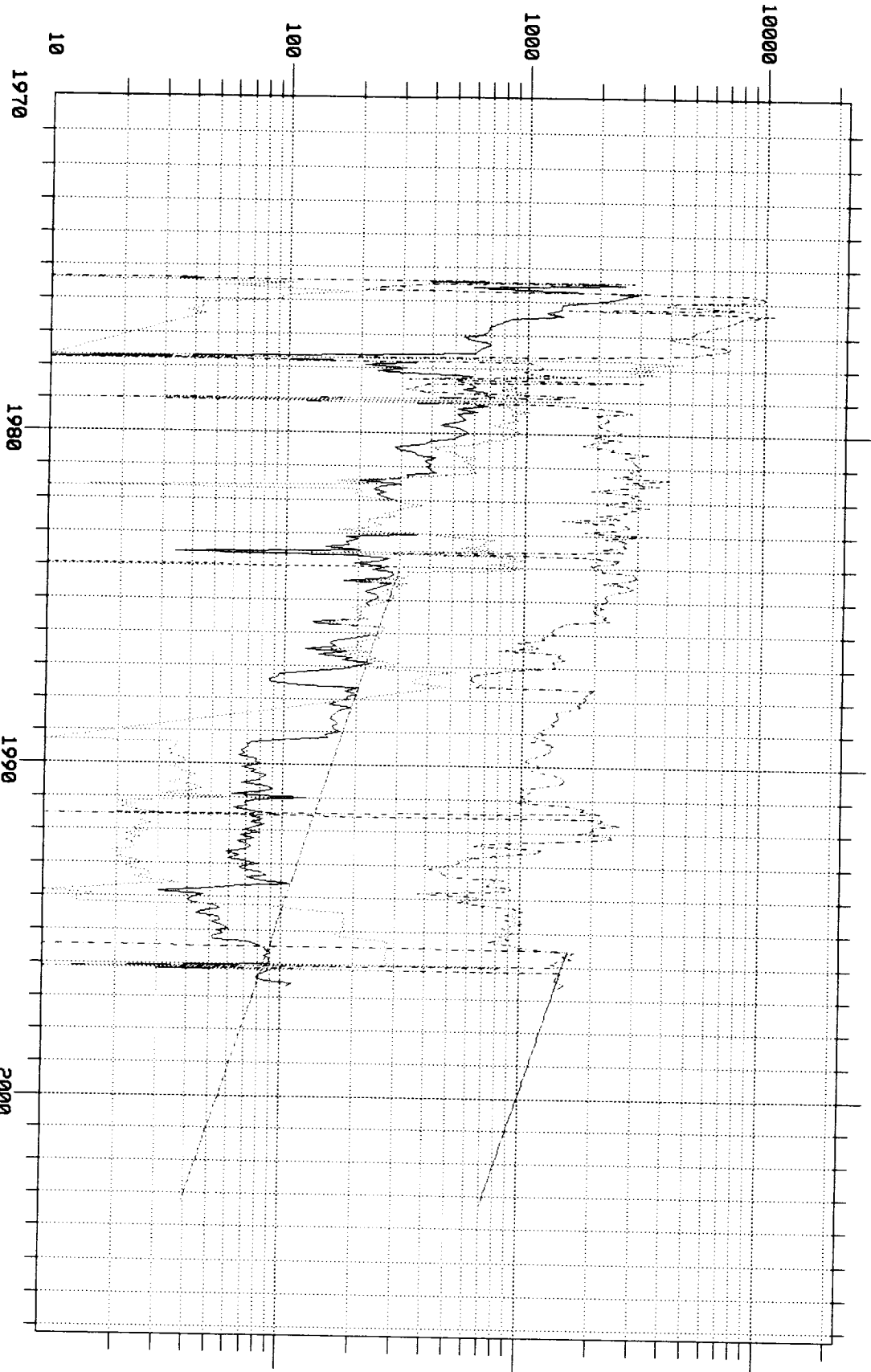
GILL DEEP NO. 1 - GILL DEEP|1|COLLINS & WARE INCORPOR|Occ #2

Calculated  
Oil  
Gas  
Water

GILL DEEP NO. 1  
Production Rate vs Time  
Bbl/Mo or Mcf/Mo vs Months  
COLLINS & WARE, INC.  
01/70 TO 12/2003

19190 Drinkard

Production  
Oil  
Gas  
Water



Reported Oil Production = 76520 Bbls  
Reported Gas Production = 507077 Mcf  
Reported Water Production = 79672 Bbls

PRODUCTION DATA REPORT  
Calculated Monthly Production Totals  
GILL DEEP

Month	Liquid (Bbls)	YEAR 1996 Gas (Mcf)	Water (Bbls)
----	-----	-----	-----
Dec	77	1378	0
TOTAL	77	1378	0

		YEAR 1997	
Jan	76	1366	0
Feb	75	1354	0
Mar	75	1342	0
Apr	74	1331	0
May	73	1319	0
Jun	73	1307	0
Jul	72	1296	0
Aug	71	1285	0
Sep	71	1273	0
Oct	70	1262	0
Nov	70	1251	0
Dec	69	1240	0
TOTAL	869	15626	0

		YEAR 1998	
Jan	68	1229	0
Feb	68	1219	0
Mar	67	1208	0
Apr	67	1198	0
May	66	1187	0
Jun	65	1177	0
Jul	65	1166	0
Aug	64	1156	0
Sep	64	1146	0
Oct	63	1136	0
Nov	63	1126	0
Dec	62	1116	0
TOTAL	782	14064	0

GILL DEEP NO. 1 - GILL DEEP|1|COLLINS & WARE INCORPOR|Occ #2

PRODUCTION DATA REPORT  
Calculated Monthly Production Totals  
GILL DEEP

Month	Liquid (Bbls)	YEAR 1999 Gas (Mcf)	Water (Bbls)
-----	-----	-----	-----
Jan	61	1107	0
Feb	61	1097	0
Mar	60	1087	0
Apr	60	1078	0
May	59	1068	0
Jun	59	1059	0
Jul	58	1050	0
Aug	58	1041	0
Sep	57	1031	0
Oct	57	1022	0
Nov	56	1014	0
Dec	56	1005	0
TOTAL	702	12659	0

		YEAR 2000	
Jan	55	996	0
Feb	55	987	0
Mar	54	979	0
Apr	54	970	0
May	53	962	0
Jun	53	953	0
Jul	52	945	0
Aug	52	937	0
Sep	52	928	0
Oct	51	920	0
Nov	51	912	0
Dec	50	904	0
TOTAL	632	11393	0

		YEAR 2001	
Jan	50	896	0
Feb	49	888	0
Mar	49	881	0
Apr	48	873	0
May	48	865	0
Jun	48	858	0
Jul	47	850	0
Aug	47	843	0
Sep	46	836	0
Oct	46	828	0
Nov	46	821	0
Dec	45	814	0
TOTAL	569	10253	0

GILL DEEP NO. 1 - GILL DEEP|1|COLLINS & WARE INCORPOR|Occ #2

PRODUCTION DATA REPORT  
Calculated Monthly Production Totals  
GILL DEEP

Month	Liquid (Bbls)	YEAR 2002 Gas (Mcf)	Water (Bbls)
-----	-----	-----	-----
Jan	45	807	0
Feb	44	800	0
Mar	44	793	0
Apr	44	786	0
May	43	779	0
Jun	43	772	0
Jul	42	765	0
Aug	42	759	0
Sep	42	752	0
Oct	41	745	0
Nov	41	739	0
Dec	41	732	0
TOTAL	512	9229	0
		YEAR 2003	
Jan	40	726	0
Feb	40	720	0
TOTAL	80	1446	0

GILL DEEP NO. 1 - GILL DEEP|1|COLLINS & WARE INCORPOR|Occ #2

PRODUCTION DATA REPORT  
Forecast Information

	Curve Fit	Projection
	-----	-----
Product Type	: OIL	--
Decline Curve Type	: EXPONENTIAL	--
Hyperbolic Exponent	: 0.000000	--
Initial Decline (%/Yr)	: 10.030000 %	--
Start Date	: 01/1970	10/1996
End Date	: 09/1996	03/2003
Correlation Coefficient	: 0.840806	--
Economic Limit (Bbl/Mo)	: 40	40
Initial Prod. Rate (Bbl/Mo)	: 300	78
Final Prod. Rate (Bbl/Mo)	: 79	40
Cum. Reported Production (Bbls)	: 77068	--
Projected Life (Years)	: --	6.500
Projected Production (Bbls)	: --	4418
Ultimate Recovery (Bbls)	: --	81486

Product Type	: GAS	--
Decline Curve Type	: EXPONENTIAL	--
Hyperbolic Exponent	: 0.000000	--
Initial Decline (%/Yr)	: 10.000001 %	--
Start Date	: 01/1970	10/1996
End Date	: 09/1996	12/2003
Correlation Coefficient	: 0.425700	--
Economic Limit (Mcf/Mo)	: 0	0
Initial Prod. Rate (Mcf/Mo)	: 1600	1403
Final Prod. Rate (Mcf/Mo)	: 1415	659
Cum. Reported Production (Mcf)	: 515896	--
Projected Life (Years)	: --	7.250
Projected Production (Mcf)	: --	85701
Ultimate Recovery (Mcf)	: --	601597

PRODUCTION DATA REPORT  
Forecast Information

	Curve Fit	Projection
	-----	-----
Product Type	: OIL	--
Decline Curve Type	: EXPONENTIAL	--
Hyperbolic Exponent	: 0.000000	--
Initial Decline (%/Yr)	: 12.067761 %	--
Start Date	: 06/1975	10/1996
End Date	: 09/1996	12/2000
Correlation Coefficient	: 0.840806	--
Economic Limit (Bbl/Mo)	: 0	0
Initial Prod. Rate (Bbl/Mo)	: 215	44
Final Prod. Rate (Bbl/Mo)	: 44	26
Cum. Reported Production (Bbls)	: 77068	--
Projected Life (Years)	: --	4.250
Projected Production (Bbls)	: --	1740
Ultimate Recovery (Bbls)	: --	78808

Product Type	: GAS	--
Decline Curve Type	: EXPONENTIAL	--
Hyperbolic Exponent	: 0.000000	--
Initial Decline (%/Yr)	: 10.010000 %	--
Start Date	: 10/1987	10/1996
End Date	: 09/1996	12/2000
Correlation Coefficient	: 0.295082	--
Economic Limit (Mcf/Mo)	: 0	0
Initial Prod. Rate (Mcf/Mo)	: 1800	697
Final Prod. Rate (Mcf/Mo)	: 703	449
Cum. Reported Production (Mcf)	: 515896	--
Projected Life (Years)	: --	4.250
Projected Production (Mcf)	: --	28761
Ultimate Recovery (Mcf)	: --	544657