

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

Form C-140
Originated 11/1/95

Submit Original
Plus 2 Copies
to appropriate
District Office

H-0271 2124

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: STEPHENS & JOHNSON OPERATING CO. OGRID #: 019958
Address: P. O. BOX 2249, WICHITA FALLS, TX 76307-2249
Contact Party: JO BUMGARDNER Phone: (817) 723-2166
- II. Name of Well: WEATHERLY NO. 4 API #: 30-025-06722
Location of Well: Unit Letter B, 660 Feet from the NORTH line and 1980 feet from the EAST line,
Section 21, Township 21S, Range 37E, NMPM, LEA County
- III. Date Workover Procedures Commenced: 10-31-96
Date Workover Procedures were Completed: 11-15-96
- 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:
BLINEBRY/DRINKARD
- VII. AFFIDAVIT:
State of TEXAS)
County of WICHITA) ss.

BOB GILMORE, being first duly sworn, upon oath states:

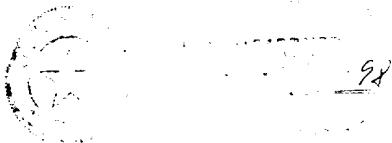
1. I am the Operator or authorized representative of the Operator of the above referenced Well.
2. I have made, or caused to be made, a diligent search of the production records which are reasonably available and contain information relevant to the production history of this Well.
3. To the best of my 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.

Bob Gilmore
(Name) BOB GILMORE

PETROLEUM ENGINEER
(Title)

FEB 24 1997

SUBSCRIBED AND SWORN TO before me this 5th day of FEB, 19 97



Jo Bumgardner
Notary Public

My Commission expires: _____

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 11-15-96 1996.

Paul J. Rautz
District Supervisor, District 1 Geologist
Oil Conservation Division

Date: 3/10/97

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

DATE: _____

DISTRICT I
P.O. Box 1900, Hobbs, NM 88240

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

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

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO. 30-025-06722	
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 Weatherly Lease	
8. Well No. 4	
9. Pool name or Wildcat Blinebry/Drinkard	

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 Stephens & Johnson Operating Co.	
3. Address of Operator P. O. Box 2249, Wichita Falls, TX 76307-2249	
4. Well Location Unit Letter <u>B</u> : <u>660</u> Feet From The <u>North</u> Line and <u>1320</u> Feet From The <u>East</u> Line Section <u>21</u> Township <u>21S</u> Range <u>37E</u> NMPM Lea County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	

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"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <u>Perforate additional Blinebry zones & stimulate. Install pumping equipment.</u> <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.

10-31-96 Perforated additional Blinebry zone 5580-5600, 5607-13, 5699-5703, 5710-26, 5730-35, 5912-16, 5920-28, 5931-41, 5971-75, 5988-6022, 6154-57, 6160-66, 6170-85, 6207-25'. Return to production

11-11-96 Rig up workover unit. Run RTTS packer & bridge plug. Set BP @6319' and packer @5520'. Treated old & new perms 5580-6225' w/8,250 gals 15% Perchek acid and fraced perms w/148,000 lbs 20/40 sand and 89,553 gals KCL water.
Clean well up. Retrieve packer & bridge plug. Run tbg & rods.
Installed 228 pumping unit and start pumping.

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

SIGNATURE Bob Gilmore TITLE Petroleum Engineer DATE 1/16/97
(817)
TYPE OR PRINT NAME Bob Gilmore TELEPHONE NO. 723-2166

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

JAN 27 1997

WEATHERLY WELL NO. 4 PRODUCTION

(12 MONTHS BEFORE WORKOVER)

MO/YR	BLINEBRY OIL	DRINKARD OIL	TOTAL	BLINEBRY GAS	DRINKARD GAS	TOTAL
1195	52	52	104	1583	1965	3548
1295	32	31	63	1122	1393	2515
0196	58	58	116	1454	1805	3259
0296	41	42	83	1279	1588	2867
0396	45	45	90	1457	1808	3265
0496	51	48	99	1320	1638	2958
0596	58	58	116	969	1159	2128
0696	41	42	83	775	925	1700
0796	55	56	111	976	1166	2142
0896	48	48	96	1006	1202	2208
0996	36	34	70	850	1016	1866
1096	38	39	77	934	1115	2049
TOTAL	555	553	1108	13725	16780	30505
VERIFY			1108			30505
12MOAVG			92.33			2542.08

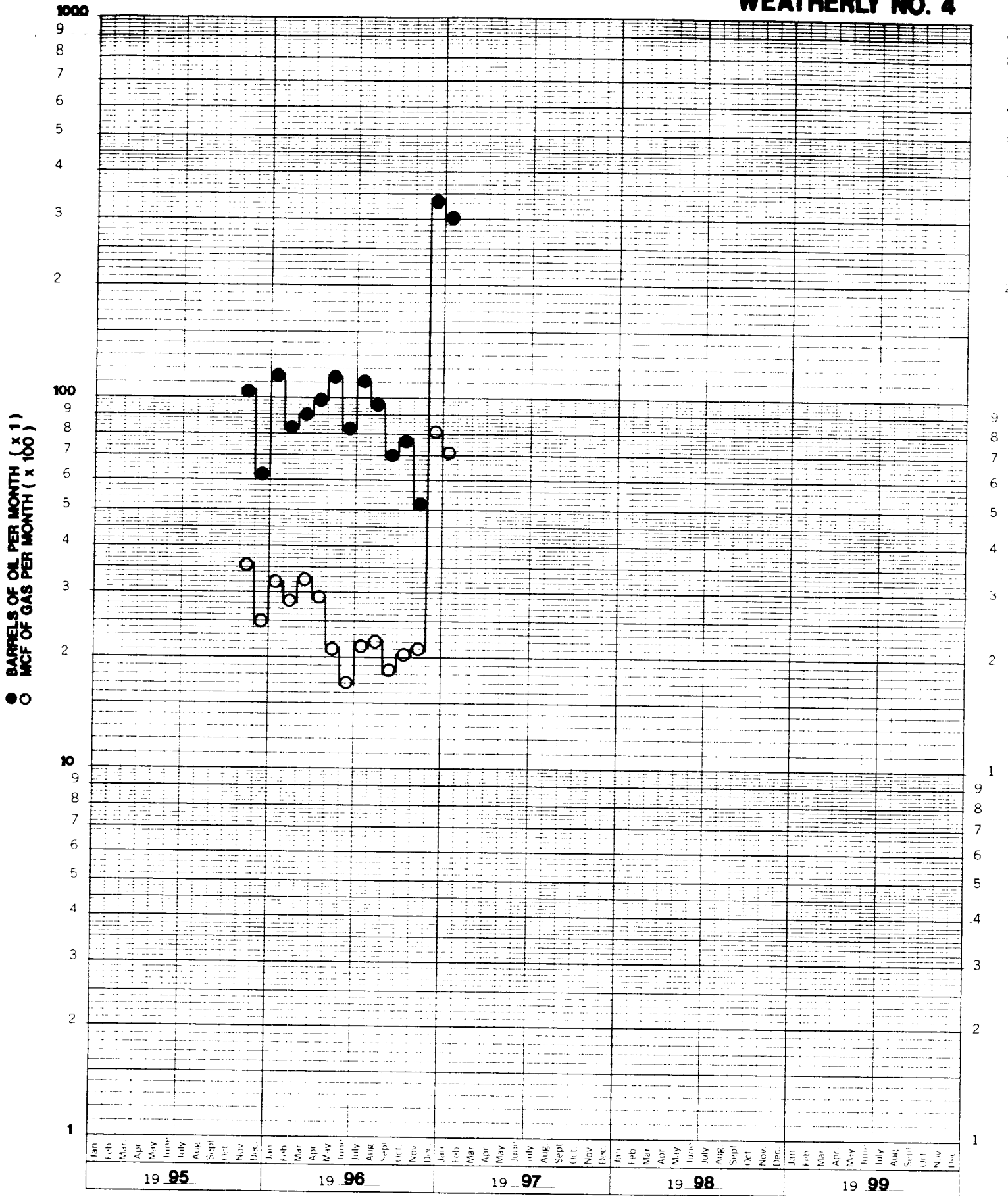
AFTER WORKOVER PRODUCTION:

1196	26	26	52	961	1147	2108
1296	167	167	334	3648	4458	8106
0197est	151	151	302	3215	3929	7144

NOTE;

Weatherly lease was shut-in part of November, 1996 by the gas company while they made repairs; therefore, true increased production was not reflected until 12/96.

WEATHERLY NO. 4



H. J. GRUY & ASSOCIATES RESERVE AND EVALUATION PAC PROGRAM B2
EXPONENTIAL DECLINE ANALYSIS AND PROJECTION

RESERVOIR IDENTIFICATION = WEATHERLY NO.4

IS PRIMARY PRODUCT OIL OR GAS (O/G) = 0 /

DATA

INITIAL FLOW RATE, stb or Mscf/mo = 75
FLOW RATE AT ECONOMIC LIMIT, stb or Mscf/mo = 1
FIRST YEAR OF PROJECTION (19__) = 97
MONTHS IN FIRST YEAR OF PROJECTION = 12
OPTIONAL CONSTANT (DEFAULT = 0) = .0833

A FOR RESERVE, B FOR LIFE, C FOR ANNUAL DECLINE =C

ANNUAL DECLINE RATE , percent/year = 12
PROJECTION LIFE, years = 33.77
RESERVE VOLUME TO PROJECT, stb or Mscf = 6946.543

****ANNUAL PROJECTION OF PRIMARY PRODUCT PRODUCTION****

YEAR	<i>Yearly</i> PRODUCTION	CUMULATIVE	<i>Avg/mo</i> PROD X K	CUM X K
----	-----	-----	-----	-----
1 1997	845	845	70	70
2 ↓	743	1,588	62	132
3	654	2,243	54	187
4	576	2,818	48	235
5	507	3,325	42	277
6	446	3,771	37	314
7	392	4,163	33	347
8	345	4,508	29	376
9	304	4,812	25	401
10	267	5,080	22	423
11	235	5,315	20	443
12	207	5,522	17	460
13	182	5,704	15	475
14	160	5,865	13	489
15	141	6,006	12	500
16	124	6,130	10	511
17	109	6,239	9	520
18	96	6,335	8	528
19	85	6,420	7	535
20	74	6,494	6	541
21	66	6,560	5	546
22	58	6,618	5	551
23	51	6,668	4	555
24	45	6,713	4	559
25	39	6,752	3	562
26	35	6,787	3	565
27	30	6,817	3	568
28	27	6,844	2	570
29	24	6,868	2	572
30	21	6,888	2	574
31	18	6,907	2	575
32	16	6,923	1	577
33	14	6,937	1	578
34	10	6,947	1	579

MONTHS IN LAST YEAR = 9

RESERVOIR IDENTIFICATION = WEATHERLY NO.4

IS PRIMARY PRODUCT OIL OR GAS (O/G) = Gas

DATA

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INITIAL FLOW RATE, stb or Mscf/mo           = 2100
FLOW RATE AT ECONOMIC LIMIT, stb or Mscf/mo = 1
FIRST YEAR OF PROJECTION (19__)            = 97
MONTHS IN FIRST YEAR OF PROJECTION          = 12
OPTIONAL CONSTANT (DEFAULT = 0)             = .0833
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A FOR RESERVE, B FOR LIFE, C FOR ANNUAL DECLINE =C

ANNUAL DECLINE RATE , percent/year	= 12
PROJECTION LIFE, years	= 59.84
RESERVE VOLUME TO PROJECT, stb or Mscf	= 197037.8

ANNUAL PROJECTION OF PRIMARY PRODUCT PRODUCTION

YEAR	PRODUCTION	CUMULATIVE	PROD X K	CUM X K
1	23,656	23,656	1,971	1,971
2	20,817	44,473	1,734	3,705
3	18,319	62,792	1,526	5,231
4	16,121	78,913	1,343	6,573
5	14,186	93,099	1,182	7,755
6	12,484	105,583	1,040	8,795
7	10,986	116,569	915	9,710
8	9,668	126,236	805	10,515
9	8,507	134,744	709	11,224
10	7,487	142,230	624	11,848
11	6,588	148,818	549	12,397
12	5,798	154,616	483	12,880
13	5,102	159,718	425	13,305
14	4,490	164,208	374	13,678
15	3,951	168,158	329	14,008
16	3,477	171,635	290	14,297
17	3,060	174,695	255	14,552
18	2,692	177,387	224	14,776
19	2,369	179,757	197	14,974
20	2,085	181,842	174	15,147
21	1,835	183,676	153	15,300
22	1,615	185,291	134	15,435
23	1,421	186,712	118	15,553
24	1,250	187,962	104	15,657
25	1,100	189,063	92	15,749
26	968	190,031	81	15,830
27	852	190,883	71	15,901
28	750	191,633	62	15,963
29	660	192,293	55	16,018
30	581	192,873	48	16,066
31	511	193,384	43	16,109
32	450	193,834	37	16,146
33	396	194,230	33	16,179
34	348	194,578	29	16,208
35	306	194,884	26	16,234
36	270	195,154	22	16,256
37	237	195,391	20	16,276
38	209	195,600	17	16,293
39	184	195,784	15	16,309
40	162	195,946	13	16,322
41	142	196,088	12	16,334
42	125	196,213	10	16,345
43	110	196,323	9	16,354
44	97	196,420	8	16,362
45	85	196,506	7	16,369
46	75	196,581	6	16,375
47	66	196,647	6	16,381
48	58	196,705	5	16,386
49	51	196,756	4	16,390
50	45	196,801	4	16,394
51	40	196,841	3	16,397

52	35	196,876	.	16,400
53	31	196,907	3	16,402
54	27	196,934	2	16,405
55	24	196,957	2	16,407
56	21	196,978	2	16,408
57	18	196,997	2	16,410
58	16	197,013	1	16,411
59	14	197,027	1	16,412
60	11	197,038	1	16,413

MONTHS IN LAST YEAR = 10