

~~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

H-0289

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 West Wall, Suite 1200, Midland, Texas 79701
Contact Party: Brent Lowery Phone: (915) 687-3435

II. Name of Well: Wood, Eugene No. 8 API #: 30-025-10393
Location of Well: Unit Letter B, 510 Feet from the North line and 2280 feet from the East line,
Section 22, Township 22S, Range 37E, NMPM, Lea County

III. Date Workover Procedures Commenced: 10/30/96
Date Workover Procedures were Completed: 11/21/96

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)
) ss.
County of Midland)

Brent Lowery, 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.

Brent S. Lowery
(Name) Brent Lowery

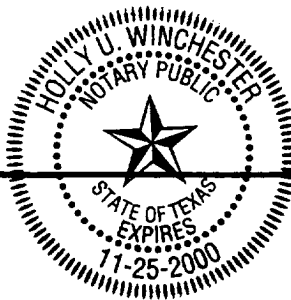
Operations Engineer
(Title)

mt

SUBSCRIBED AND SWORN TO before me this 28th day of February, 1997.

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 11-21-96 1996.

[Signature]
District Supervisor, District
Oil Conservation Division

Date: 3/29/97

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

DATE: _____

Received
Hobbs
ODD

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

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. 30-025-10393
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 Wood, Eugene
8. Well No. 8
9. Pool name or Wildcat Drinkard
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3378' DF

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 B : 510 Feet From The North Line and 2280 Feet From The East Line Section 22 Township 22S 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 checked="" 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: <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.

11/01/96 Tag fill at 6336'. Drilled soft fill to 6388'. Drilled BP 6388' - 6392'.
11/02/96 Drilled 6' of fill to 6425'. Started drilling on BP.
11/04/96 Push junk to 6451'. New PBD is 6451'.
11/19/96 Set packer at 6158' and acidize perms and open hole with 3,000 gals 20% Ferchek SC acid. Set anchor at 6189' with 10 points tension and drop plunger and spring.
12/09/96 Lay down 4 joints tubing. Set tubing at 6256.79'

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) 687-343

(This space for State Use)
ORIGINAL SIGNED BY JERRY CEXTON
DISTRICT OFFICIAL

DEC 24 1996

APPROVED BY _____ TITLE _____ DATE _____

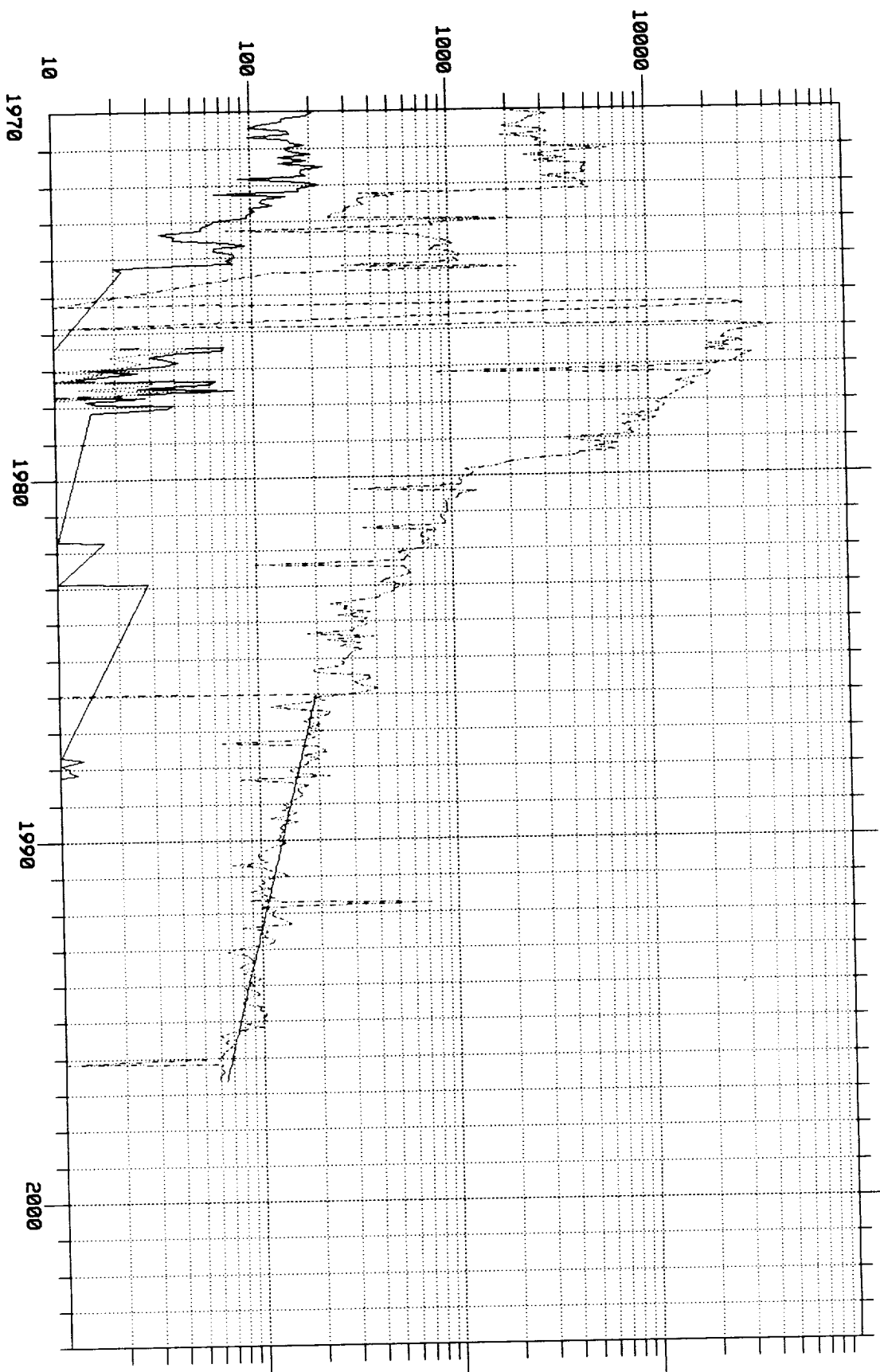
CONDITIONS OF APPROVAL, IF ANY:

Calculated
Oil
Gas
Water ---

MOOD, EUGENE NO. 8
Production Rate vs Time
Bbl/Mo or Mcf/Mo vs Months
COLLINS & WARE, INC.
01/70 TO 12/2000

Production
Oil
Gas
Water ---

19190 Drinkard



Reported Oil Production = 95141 Bbl's
Reported Gas Production = 1347004 Mcf
Reported Water Production = 370 Bbl's

PRODUCTION DATA REPORT
Forecast Information

	Curve Fit	Projection
	-----	-----
Product Type	: GAS	--
Decline Curve Type	: EXPONENTIAL	--
Hyperbolic Exponent	: 0.000000	--
Initial Decline (%/Yr)	: 9.881083 %	--
Start Date	: 01/1986	10/1996
End Date	: 09/1996	08/1996
Correlation Coefficient	: 0.786402	--
Economic Limit (Mcf/Mo)	: 65	65
Initial Prod. Rate (Mcf/Mo)	: 196	64
Final Prod. Rate (Mcf/Mo)	: 64	65
Cum. Reported Production (Mcf)	: 1347364	--
Projected Life (Years)	: --	-0.083
Projected Production (Mcf)	: --	0
Ultimate Recovery (Mcf)	: --	1347364

PRODUCTION DATA REPORT
 Calculated Monthly Production Totals
 EUGENE WOOD

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

WOOD EUGENE NO. 8- EUGENE WOOD|8|COLLINS & WARE INCORPORATED