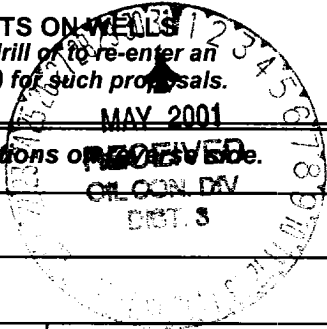


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.



SUBMIT IN TRIPLICATE - Other instructions on reverse side.

| | | |
|---|---|--|
| 1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well Other | | 5. Lease Serial No. I-149-IND-8471 |
| 2. Name of Operator AMOCO PRODUCTION COMPANY | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address P.O. BOX 3092 HOUSTON, TX 77253 | 3b. Phone No. (include area code) 281.366.4491 | 7. If Unit or CA/Agreement Name and/or No. |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1840FEL 1090FNL <i>B-25-28-13</i> | | 8. Well Name and No. GALLEGOS CANYON UNIT 176E |
| | | 9. API Well No. 3004525175 |
| | | 10. Field and Pool, or Exploratory Area BASIN DAKOTA & FRUITLAND COAL |
| | | 11. County or Parish, and State SAN JUAN NM |

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|--|---|---|--|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal |
| | | | <input type="checkbox"/> Water Shut-Off |
| | | | <input type="checkbox"/> Well Integrity |
| | | | <input checked="" type="checkbox"/> SUBCOM |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Amoco Production Company request permission to complete the subject well into the Basin Fruitland Coal and commingle production downhole with the existing Basin Dakota Pool as per the attached procedure. The Basin Dakota (71599) & the Basin Fruitland Coal (71629) Pools are Pre-Approved for Downhole Commingling per NMOCD Order R - 11363. Although the interest owners are not identical between these two Pools, NMOCD CASE NO. 12520, ORDER NO. R-11567 effective 04/26/2001, established approval for subsequent applications for the downhole commingling of production in wellbores within the Gallegos Canyon Unit without notice to the unit interest owners, therefore, additional notification is required prior to downhole commingling approval. Production is proposed to be allocated based on the subtraction method using the projected future decline for production from the Dakota. That production shall serve as a base for production subtracted from the total production for the commingled well. The balance of the production will be attributed to the Fruitland Coal. Attached is the future production decline estimates for the Dakota. Commingling

DHC 391A2

Electronic Submission #4071 verified by the BLM Well Information System for AMOCO PRODUCTION COMPANY Sent to the Farmington Field Office Committed to AFMSS for processing by Maurice Johnson on 05/11/2001

| | |
|---|--|
| Name (Printed/Typed) MARY CORLEY | Title AUTHORIZED REPRESENTATIVE |
| Signature | Date 05/07/2001 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|--------|-------------------------|
| Approved By <i>/s/ Jim Lovato</i> | Title | Date <i>MAY 29 2001</i> |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. | Office | |

Gallegos Canyon Unit 176E

Future Production Decline Estimate (Monthly Factor .384%)

| Month | Gas Volume |
|----------|------------|
| Jan-2000 | 17 |
| Feb-2000 | 16 |
| Mar-2000 | 16 |
| Apr-2000 | 13 |
| May-2000 | 12 |
| Jun-2000 | 9 |
| Jul-2000 | 6 |
| Aug-2000 | 6 |
| Sep-2000 | 5 |
| Oct-2000 | 12 |
| Nov-2000 | 23 |
| Dec-2000 | 25 |
| Jan-2001 | 21 |
| Feb-2001 | 19 |
| Mar-2001 | 14 |
| Apr-2001 | 11 |
| May-2001 | 11 |
| Jun-2001 | 11 |
| Jul-2001 | 11 |
| Aug-2001 | 11 |
| Sep-2001 | 11 |
| Oct-2001 | 11 |
| Nov-2001 | 11 |
| Dec-2001 | 11 |
| Jan-2002 | 11 |
| Feb-2002 | 11 |
| Mar-2002 | 11 |
| Apr-2002 | 11 |
| May-2002 | 11 |
| Jun-2002 | 11 |
| Jul-2002 | 11 |
| Aug-2002 | 11 |
| Sep-2002 | 11 |
| Oct-2002 | 11 |
| Nov-2002 | 11 |
| Dec-2002 | 11 |

$\ln(Q_f/Q_i) = -dt$
 $Q_i = 13 \text{ MCFD (04/2000)}$
 $Q_f = 12 \text{ MCFD (10/2000)}$
 $t = 6 \text{ months (.50000 yrs)}$
 $d = 0.32 \text{ annual decline}$
 $0.027 \text{ monthly decline (0.32/12)}$

Corrected Volumes
 $12/13 = 0.923076$
 $.923 * .50000 = .461238462$
 0.0384615

| Month | Gas Volume |
|----------|------------|
| Jan-2003 | 11 |
| Feb-2003 | 11 |
| Mar-2003 | 11 |
| Apr-2003 | 11 |
| May-2003 | 11 |
| Jun-2003 | 11 |
| Jul-2003 | 11 |
| Aug-2003 | 11 |
| Sep-2003 | 11 |
| Oct-2003 | 11 |
| Nov-2003 | 11 |
| Dec-2003 | 11 |
| Jan-2004 | 11 |
| Feb-2004 | 10 |
| Mar-2004 | 10 |
| Apr-2004 | 10 |
| May-2004 | 10 |
| Jun-2004 | 10 |
| Jul-2004 | 10 |
| Aug-2004 | 10 |
| Sep-2004 | 10 |
| Oct-2004 | 10 |
| Nov-2004 | 10 |
| Dec-2004 | 10 |
| Jan-2005 | 10 |
| Feb-2005 | 10 |
| Mar-2005 | 10 |
| Apr-2005 | 10 |
| May-2005 | 10 |
| Jun-2005 | 10 |
| Jul-2005 | 10 |
| Aug-2005 | 10 |
| Sep-2005 | 10 |
| Oct-2005 | 10 |
| Nov-2005 | 10 |
| Dec-2005 | 10 |

| Month | Gas Volume |
|----------|------------|
| Jan-2006 | 10 |
| Feb-2006 | 10 |
| Mar-2006 | 10 |
| Apr-2006 | 10 |
| May-2006 | 10 |
| Jun-2006 | 9 |
| Jul-2006 | 9 |
| Aug-2006 | 9 |
| Sep-2006 | 9 |
| Oct-2006 | 9 |
| Nov-2006 | 9 |
| Dec-2006 | 9 |
| Jan-2007 | 9 |
| Feb-2007 | 9 |
| Mar-2007 | 9 |
| Apr-2007 | 9 |
| May-2007 | 9 |
| Jun-2007 | 9 |
| Jul-2007 | 9 |
| Aug-2007 | 9 |
| Sep-2007 | 9 |
| Oct-2007 | 9 |
| Nov-2007 | 9 |
| Dec-2007 | 9 |
| Jan-2008 | 9 |
| Feb-2008 | 9 |
| Mar-2008 | 9 |
| Apr-2008 | 9 |
| May-2008 | 9 |
| Jun-2008 | 9 |
| Jul-2008 | 9 |
| Aug-2008 | 9 |
| Sep-2008 | 9 |
| Oct-2008 | 9 |
| Nov-2008 | 9 |
| Dec-2008 | 9 |

**Gallegos Canyon Unit 176E
Future Production Decline Estimate (Monthly Factor .384%)**

| Month | Gas Volume |
|----------|------------|
| Jan-2009 | 9 |
| Feb-2009 | 9 |
| Mar-2009 | 8 |
| Apr-2009 | 8 |
| May-2009 | 8 |
| Jun-2009 | 8 |
| Jul-2009 | 8 |
| Aug-2009 | 8 |
| Sep-2009 | 8 |
| Oct-2009 | 8 |
| Nov-2009 | 8 |
| Dec-2009 | 8 |
| Jan-2010 | 8 |
| Feb-2010 | 8 |
| Mar-2010 | 8 |
| Apr-2010 | 8 |
| May-2010 | 8 |
| Jun-2010 | 8 |
| Jul-2010 | 8 |
| Aug-2010 | 8 |
| Sep-2010 | 8 |
| Oct-2010 | 8 |
| Nov-2010 | 8 |
| Dec-2010 | 8 |
| Jan-2011 | 8 |
| Feb-2011 | 8 |
| Mar-2011 | 8 |
| Apr-2011 | 8 |
| May-2011 | 8 |
| Jun-2011 | 8 |
| Jul-2011 | 8 |
| Aug-2011 | 8 |
| Sep-2011 | 8 |
| Oct-2011 | 8 |
| Nov-2011 | 8 |
| Dec-2011 | 8 |

| Month | Gas Volume |
|----------|------------|
| Jan-2012 | 8 |
| Feb-2012 | 8 |
| Mar-2012 | 7 |
| Apr-2012 | 7 |
| May-2012 | 7 |
| Jun-2012 | 7 |
| Jul-2012 | 7 |
| Aug-2012 | 7 |
| Sep-2012 | 7 |
| Oct-2012 | 7 |
| Nov-2012 | 7 |
| Dec-2012 | 7 |
| Jan-2013 | 7 |
| Feb-2013 | 7 |
| Mar-2013 | 7 |
| Apr-2013 | 7 |
| May-2013 | 7 |
| Jun-2013 | 7 |
| Jul-2013 | 7 |
| Aug-2013 | 7 |
| Sep-2013 | 7 |
| Oct-2013 | 7 |
| Nov-2013 | 7 |
| Dec-2013 | 7 |
| Jan-2014 | 7 |
| Feb-2014 | 7 |
| Mar-2014 | 7 |
| Apr-2014 | 7 |
| May-2014 | 7 |
| Jun-2014 | 7 |
| Jul-2014 | 7 |
| Aug-2014 | 7 |
| Sep-2014 | 7 |
| Oct-2014 | 7 |
| Nov-2014 | 7 |
| Dec-2014 | 7 |

| Month | Gas Volume |
|----------|------------|
| Jan-2015 | 7 |
| Feb-2015 | 7 |
| Mar-2015 | 7 |
| Apr-2015 | 7 |
| May-2015 | 7 |
| Jun-2015 | 7 |
| Jul-2015 | 7 |
| Aug-2015 | 7 |
| Sep-2015 | 7 |
| Oct-2015 | 7 |
| Nov-2015 | 7 |
| Dec-2015 | 7 |
| Jan-2016 | 7 |
| Feb-2016 | 7 |
| Mar-2016 | 6 |
| Apr-2016 | 6 |
| May-2016 | 6 |
| Jun-2016 | 6 |
| Jul-2016 | 6 |
| Aug-2016 | 6 |
| Sep-2016 | 6 |
| Oct-2016 | 6 |
| Nov-2016 | 6 |
| Dec-2016 | 6 |
| Jan-2017 | 6 |
| Feb-2017 | 6 |
| Mar-2017 | 6 |
| Apr-2017 | 6 |
| May-2017 | 6 |
| Jun-2017 | 6 |
| Jul-2017 | 6 |
| Aug-2017 | 6 |
| Sep-2017 | 6 |
| Oct-2017 | 6 |
| Nov-2017 | 6 |
| Dec-2017 | 6 |

| Month | Gas Volume |
|----------|------------|
| Jan-2018 | 6 |
| Feb-2018 | 6 |
| Mar-2018 | 6 |
| Apr-2018 | 6 |
| May-2018 | 6 |
| Jun-2018 | 6 |
| Jul-2018 | 6 |
| Aug-2018 | 6 |
| Sep-2018 | 6 |
| Oct-2018 | 6 |
| Nov-2018 | 6 |
| Dec-2018 | 6 |
| Jan-2019 | 6 |
| Feb-2019 | 6 |
| Mar-2019 | 6 |
| Apr-2019 | 6 |
| May-2019 | 6 |
| Jun-2019 | 6 |
| Jul-2019 | 6 |
| Aug-2019 | 6 |
| Sep-2019 | 5 |
| Oct-2019 | 5 |
| Nov-2019 | 5 |
| Dec-2019 | 5 |
| Jan-2020 | 5 |
| Feb-2020 | 5 |
| Mar-2020 | 5 |
| Apr-2020 | 5 |
| May-2020 | 5 |
| Jun-2020 | 5 |
| Jul-2020 | 5 |
| Aug-2020 | 5 |
| Sep-2020 | 5 |
| Oct-2020 | 5 |
| Nov-2020 | 5 |
| Dec-2020 | 5 |

**Gallegos Canyon Unit 176E
Future Production Decline Estimate (Monthly Factor .384%)**

| Month | Gas Volume |
|----------|------------|
| Jan-2021 | 5 |
| Feb-2021 | 5 |
| Mar-2021 | 5 |
| Apr-2021 | 5 |
| May-2021 | 5 |
| Jun-2021 | 5 |
| Jul-2021 | 5 |
| Aug-2021 | 5 |
| Sep-2021 | 5 |
| Oct-2021 | 5 |
| Nov-2021 | 5 |
| Dec-2021 | 5 |
| Jan-2022 | 5 |
| Feb-2022 | 5 |
| Mar-2022 | 5 |
| Apr-2022 | 5 |
| May-2022 | 5 |
| Jun-2022 | 5 |
| Jul-2022 | 5 |
| Aug-2022 | 5 |
| Sep-2022 | 5 |
| Oct-2022 | 5 |
| Nov-2022 | 5 |
| Dec-2022 | 5 |
| Jan-2023 | 4 |
| Feb-2023 | 4 |
| Mar-2023 | 4 |
| Apr-2023 | 4 |
| May-2023 | 4 |
| Jun-2023 | 4 |
| Jul-2023 | 4 |
| Aug-2023 | 4 |
| Sep-2023 | 4 |
| Oct-2023 | 4 |
| Nov-2023 | 4 |
| Dec-2023 | 4 |

| Month | Gas Volume |
|----------|------------|
| Jan-2024 | 4 |
| Feb-2024 | 4 |
| Mar-2024 | 4 |
| Apr-2024 | 4 |
| May-2024 | 4 |
| Jun-2024 | 4 |
| Jul-2024 | 4 |
| Aug-2024 | 4 |
| Sep-2024 | 4 |
| Oct-2024 | 4 |
| Nov-2024 | 4 |
| Dec-2024 | 4 |
| Jan-2025 | 4 |
| Feb-2025 | 4 |
| Mar-2025 | 4 |
| Apr-2025 | 4 |
| May-2025 | 4 |
| Jun-2025 | 4 |
| Jul-2025 | 4 |
| Aug-2025 | 4 |
| Sep-2025 | 4 |
| Oct-2025 | 4 |
| Nov-2025 | 4 |
| Dec-2025 | 4 |
| Jan-2026 | 4 |
| Feb-2026 | 4 |
| Mar-2026 | 4 |
| Apr-2026 | 4 |
| May-2026 | 4 |
| Jun-2026 | 4 |
| Jul-2026 | 4 |
| Aug-2026 | 4 |
| Sep-2026 | 4 |
| Oct-2026 | 4 |
| Nov-2026 | 4 |
| Dec-2026 | 4 |

| Month | Gas Volume |
|----------|------------|
| Jan-2027 | 4 |
| Feb-2027 | 4 |
| Mar-2027 | 3 |
| Apr-2027 | 3 |
| May-2027 | 3 |
| Jun-2027 | 3 |
| Jul-2027 | 3 |
| Aug-2027 | 3 |
| Sep-2027 | 3 |
| Oct-2027 | 3 |
| Nov-2027 | 3 |
| Dec-2027 | 3 |
| Jan-2028 | 3 |
| Feb-2028 | 3 |
| Mar-2028 | 3 |
| Apr-2028 | 3 |
| May-2028 | 3 |
| Jun-2028 | 3 |
| Jul-2028 | 3 |
| Aug-2028 | 3 |
| Sep-2028 | 3 |
| Oct-2028 | 3 |
| Nov-2028 | 3 |
| Dec-2028 | 3 |
| Jan-2029 | 3 |
| Feb-2029 | 3 |
| Mar-2029 | 3 |
| Apr-2029 | 3 |
| May-2029 | 3 |
| Jun-2029 | 3 |
| Jul-2029 | 3 |
| Aug-2029 | 3 |
| Sep-2029 | 3 |
| Oct-2029 | 3 |
| Nov-2029 | 3 |
| Dec-2029 | 3 |

| Month | Gas Volume |
|----------|------------|
| Jan-2030 | 3 |
| Feb-2030 | 3 |
| Mar-2030 | 3 |
| Apr-2030 | 3 |
| May-2030 | 3 |
| Jun-2030 | 3 |
| Jul-2030 | 3 |
| Aug-2030 | 3 |
| Sep-2030 | 3 |
| Oct-2030 | 3 |
| Nov-2030 | 3 |
| Dec-2030 | 3 |
| Jan-2031 | 3 |
| Feb-2031 | 3 |
| Mar-2031 | 3 |
| Apr-2031 | 3 |
| May-2031 | 3 |
| Jun-2031 | 3 |
| Jul-2031 | 3 |
| Aug-2031 | 3 |
| Sep-2031 | 3 |
| Oct-2031 | 3 |
| Nov-2031 | 3 |
| Dec-2031 | 3 |
| Jan-2032 | 3 |
| Feb-2032 | 3 |
| Mar-2032 | 3 |
| Apr-2032 | 3 |
| May-2032 | 3 |
| Jun-2032 | 3 |
| Jul-2032 | 3 |
| Aug-2032 | 3 |
| Sep-2032 | 2 |
| Oct-2032 | 2 |
| Nov-2032 | 2 |
| Dec-2032 | 2 |

GCU Well Work Procedure

Well Name: GCU #176E

Objective:

Recomplete in Fruitland Coal and downhole commingle with Dakota.

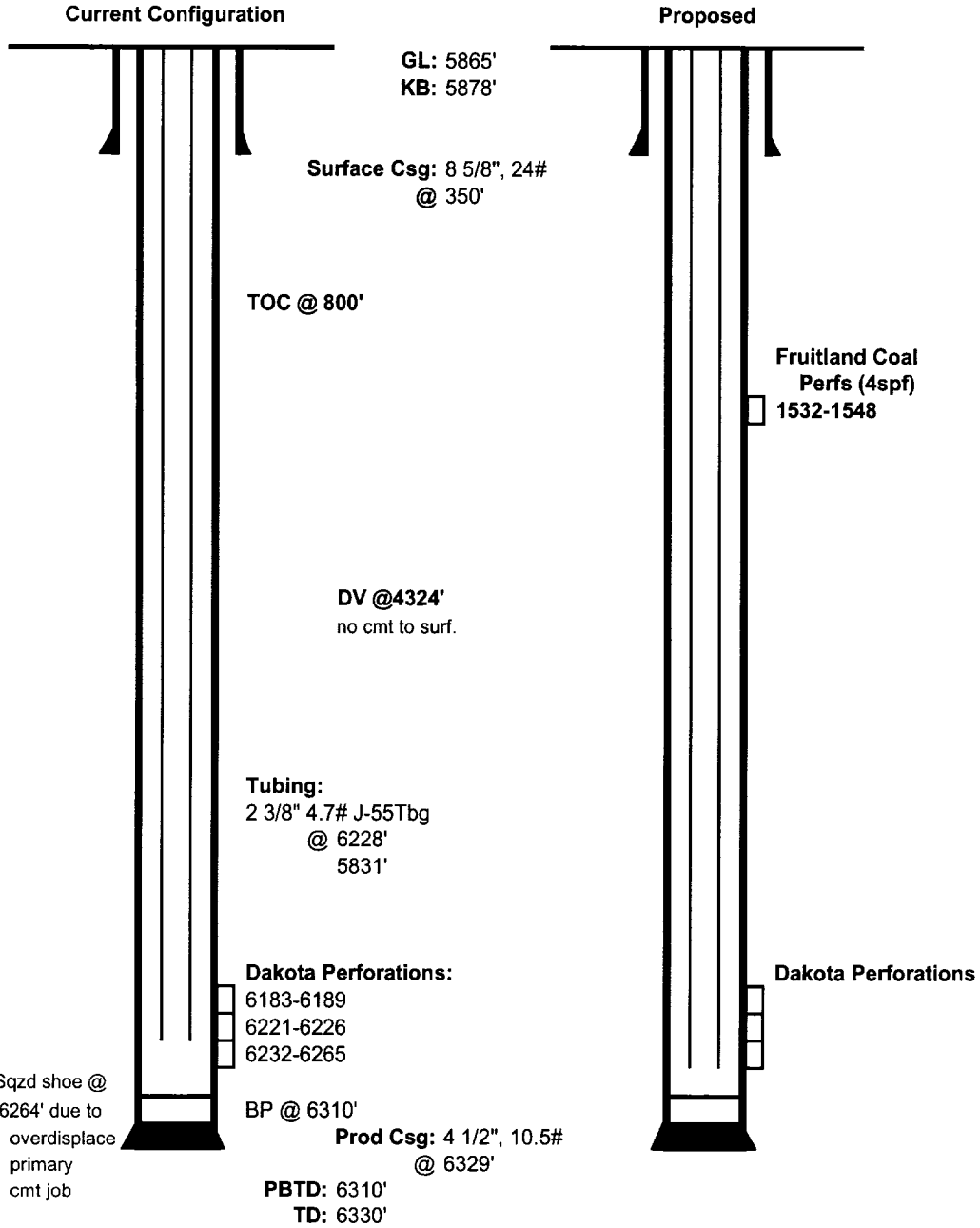
Note: Prior to scheduling rig, confirm that surface facility modifications have been initiated.

1. Check anchors. MIRU.
2. Check and record tubing, casing and bradenhead pressures.
3. Blow down wellhead, kill if necessary with 2% KCL water.
4. Nipple down wellhead, nipple up and pressure test BOP.
5. Tag for fill. Tally out of hole with tubing. Visually inspect. Replace tubing as required.
6. RIH with bit and scraper. Clean out to PBTD as necessary.
7. Set CIBP via tubing at approximately 6100'. Load hole with 2%KCL and pressure test to 500#.
8. Run CBL/GR/CCL across Fruitland Coal interval to verify zonal isolation. (Note:DV tool at 4324') Fax results to John Papageorge @ 281-366-7099.
9. Set RBP approximately 150' below bottom of proposed perforations and pressure test.
10. Perforate the following interval with 4JSPF, 120 deg. phasing: **FRLD 1532-1548'**.
11. RU frac equipment and install WH isolation tool. Fracture stimulate down casing according to schedule 'A'.
12. Flow back frac load until well dies.
13. RIH with bit and tubing. Clean out fill. Pull RBP and drill out CIBP to commingle with Dakota.
14. TIH with 2 3/8" tbg, rods, and pump. Land 1 joint below Dakota perms if possible.
15. RDMO. Hook up to pumping unit and well head compressor.
16. Pump to recover load and test.

GCU #176E

Wellbore Diagram

1090' FNL x 1840' FEL
Sec. 25, T28N, R13W
San Juan Co., NM



DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

311 South First., Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, New Mexico 87505

Form C-102
Revised October 18, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|----------------------------|---|--|
| API Number 30-045-25175 | Pool Code 71599 & 71629 | Pool Name Basin Dakota & Basin Fruitland Coal |
| Property Code 000570 | Property Name Gallegos Canyon Unit | Well Number 176E |
| OGRID No. 000778 | Operator Name AMOCO PRODUCTION COMPANY | Elevation 5865' |

Surface Location

| UL or lot no. | Section | Township | Range | Lot. Idn | Feet from the | North/South Line | Feet from the | East/West Line | County |
|---------------|---------|----------|-------|----------|---------------|------------------|---------------|----------------|----------|
| UNIT B | 25 | 28N | 13W | | 1090' | NORTH | 1840' | EAST | San Juan |

Bottom Hole Location if Different From Surface

| UL or lot no. | Section | Township | Range | Lot. Idn | Feet from the | North/South Line | Feet from the | East/West Line | County |
|---------------|---------|----------|-------|----------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

| | | | |
|---------------------------|-----------------|--------------------|-----------|
| Dedicated Acreage: 320 | Joint or Infill | Consolidation Code | Order No. |
|---------------------------|-----------------|--------------------|-----------|

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

| | |
|--|---|
| | <p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i></p> <p>Signature <i>Mary Corley</i></p> <p>Printed Name Mary Corley</p> <p>Position Sr. Regulatory Analyst</p> <p>Date 05/02/2001</p> |
| | <p>SURVEY CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.</i></p> <p>12-10-1980</p> <p>Date of Survey</p> <p>Signature & Seal of Professional Surveyor Fred B Kerr Jr.</p> <p>Certificate No. 3950</p> |