

District I - (505) 334-0101
1625 N. French Dr., Hobbs, NM 88240
District II - (505) 748-1283
1301 W. Grand Avenue, Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road, Aztec, NM 87410
District IV - (505) 476-3440
1220 S. St. Francis Dr., Santa Fe, NM 87505

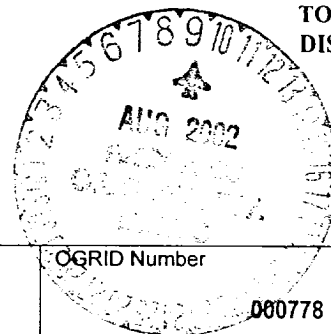
Energy Minerals and Natural Resources Department

Form C-140
Revised 06/99

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505
(505) 476-3440

**SUBMIT ORIGINAL
PLUS 2 COPIES
TO APPROPRIATE
DISTRICT OFFICE**

APPLICATION FOR
WELL WORKOVER PROJECT



I. Operator and Well

Operator name & address BP America Production Company P.O. Box 3092 Attn: Cherry Hlava Houston, TX 77253						GRID Number 000778		
Contact Party Cherry Hlava						Phone 281-366-4081		
Property Name Gallegos Canyon					Well Number 416	API Number 30-045-28757		
UL G	Section 19	Township 28N	Range 11W	Feet From The 2035	North/South Line North	Feet From The 1695	East/West Line East	County San Juan

II. Workover

Date Workover Commenced: 01/02/2002	Previous Producing Pool(s) (Prior to Workover): Fruitland Coal
Date Workover Completed: 02/20/2002	

III. Attach a description of the Workover Procedures performed to increase production.

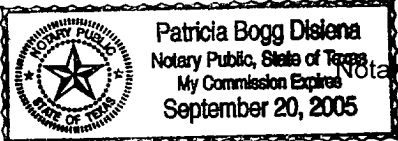
IV. Attach a production decline curve or table showing at least twelve months of production prior to the workover and at least three months of production following the workover reflecting a positive production increase.

V. AFFIDAVIT:

State of Texas)
) ss.
County of Harris)
Cherry Hlava, being first duly sworn, upon oath states:

- I am the Operator, or authorized representative of the Operator, of the above-referenced Well.
- I have made, or caused to be made, a diligent search of the production records reasonably available for this Well.
- To the best of my knowledge, this application and the data used to prepare the production curve and/or table for this Well are complete and accurate.

Signature Cherry Hlava Title Regulatory Analyst Date August 06, 2002
SUBSCRIBED AND SWORN TO before me this 06th day of August, 2002

My Commission expires:  Patricia Bogg Disiena
Notary Public Patricia Bogg Disiena

FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:

This Application is hereby approved and the above-referenced well is designated a Well Workover Project and the Division hereby verifies the data shows a positive production increase. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval and certifies that this Well Workover Project was completed on 02-20, 2002.

Signature District Supervisor <u>Charlie Thern</u>	OCD District <u>AZTEC III</u>	Date <u>8-12-2002</u>
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VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT:

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 <input type="checkbox"/> Other		7. If Unit or CA/Agreement, Name and/or No.
2. Name of Operator BP AMERICA PRODUCTION COMPANY		8. Well Name and No. GALLEGOS CANYON UNIT 416
3a. Address P.O. BOX 3092 HOUSTON, TX 77253		9. API Well No. 30-045-28757
3b. Phone No. (include area code) Ph: 281.366.4081 Fx: 281.366.0700		10. Field and Pool, or Exploratory BASIN FRUITLAND COAL
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 19 T28N R11W SWNE 2035FNL 1695FEL		11. County or Parish, and State SAN JUAN COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<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	

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 recompleat 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 recompleat 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.)

Please see attached subsequent report showing refrac & additional perfs added to Basin Fruitland Coal.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #10175 verified by the BLM Well Information System For BP AMERICA PRODUCTION COMPANY, sent to the Farmington	
Name (Printed/Typed) CHERRY HLAVA	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 01/30/2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____	Date _____
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 _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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OPERATOR

Gallegos Canyon Unit 416
SUBSEQUENT REPORT
01/29/2002

01/02/2002 Spot equip & RUSU & flw lines. Take readings. Blw well DN, unseat pmp, TOH w/Rods & pmp. NDWH, NUBOP. TIH, tag for fill, TOH. Tag fill @1635'. SDFN.

01/03/2002 TIH w/4.5" csg scraper & tbg to 1500'. TOH w/tbg & scraper. TIH w/tbg & RBP & set @1400'. RU pmp & roll hole w/clean 2% KCL wtr. Press tst csg to 2400#. Csg held press. RU & swb DN flud. RD swb equip & latch onto RBP. Release RBP & TOH w/tbg & plg. SDFN.

01/04/2002 Rig maintenance. SDFN.

01/05/2002 MIRU SU to frac DN 4-1/2" csg from 1527' to 1539'. Press tst lines & Run loop tst. Pmp 500 gal 15% HCL acid followed w/45,349 # of 16/30 Brady Snd; Pmp w/70 quality nitrogen foam. RD frac equipment. RU flw line. Blw DN press. Open to tnk on 1/4" ck. Bled DN. Pull ISO tool & hook up to tnk. SDFN.

01/07/2002 Take Readings, Csg 50 psi. Blw DN. TIH tag fill @1345'. RU/air unit C/O to 1527' Circ hole clean. TOH. RU/WL. R GR-CCL log from 1500' to 1200'. SET CIBP @1480'. TIH w/3.125" gim & perf Fruitland Coal formation (1250' - 1433' w/2 JSPF total of 32 shots. RD/WL & SDFN.

01/08/2002 RU ISO tool. RUSU and frac DN 4-1/2" csg. W/500 gal 15% HCL acid followed w/131,296# 16/30 Brady Snd; pmp w/70% nitrogen foam. RDSU & ISO Tool. Flw tst over night.

01/09/2002 Flow tst on 1/2" ck. Making water & some gas. Not enough pressure to read gauge. TIH tag fill @1400'. RU/air unit, C/O to CIBP. Circ well clean. Flw back on own. TIH tag fill. C/O to plug. Pull pipe above perfs SDFN.

01/10/2001 Take Readings. CSG 270 psi. Blw DN. TIH tag fill @1470'. RU/air unit C/O to plug. Circ clean. Flw well. TIH & C/O. flw back SDFN.

01/11/2002 Take Readings csg 250 psi. blw DN. TIH tag fill. C/O to plug. Circ clean. Pull pipe above perfs. Flw. kill well. TOH tallying pipe. TIH w/prod. string & landed tbg @1447'. NDBOP, NUWH. RIH w/pmp & rods, space out pmp, check pmp action, hang rods. SDFN.

01/15/2002 C/O rig pit, RDSU & equip. MO location.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUBMIT IN TRIPLICATE - Other Instructions on reverse side.		5. Lease Serial No. SF 080844-A
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator BP AMERICA PRODUCTION COMPANY		7. If Unit or CA/Agreement, Name and/or No.
Contact: CHERRY HLAVA E-Mail: hlavacl@bp.com		8. Well Name and No. GALLEGOS CANYON UNIT 416
3a. Address P.O. BOX 3092 HOUSTON, TX 77253	3b. Phone No. (include area code) Ph: 281.366.4081 Fx: 281.366.0700	9. API Well No. 30-045-28757
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 19 T28N R11W SWNE 2035FNL 1695FEL		10. Field and Pool, or Exploratory BASIN FRUITLAND COAL
		11. County or Parish, and State SAN JUAN COUNTY, NM

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TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<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	

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Subsequent sundry was sent 1/30/02 and approved 02/06/02 showing refrac & additional perms(1250'-1433') added to existing Basin Fruitland Coal.

This subsequent sundry is sent to report the following:

02/15/02 Milled out CIBP @ 1480'.
02/18/02 TIH w/tbg and landed @ 1577'.
02/19/02 Press tst tbg to 500 PSI. Held ok.
02/20/02 RDMO well.

RECEIVED
2002 FEB 29 11:00 AM
010 FARMINGTON, NM

14. I hereby certify that the foregoing is true and correct. Electronic Submission #10530 verified by the BLM Well Information System For BP AMERICA PRODUCTION COMPANY, sent to the Farmington	
Name (Printed/Typed) CHERRY HLAVA <i>Cherry Hlava</i>	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 02/26/2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____	Date MAR 06 2002
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.		FARMINGTON FIELD OFFICE
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.		

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OPERATOR

GALLEGOS CANYON UNIT 416 A	3004528757					
BP AMERICA PRODUCTION COMPANY						
Township: 28N Range 11W						
Section: 19 Unit G						
Land Type: Federal						
	2000	2001	2002	2000	2001	2002
Pool Name: BASIN FRUITLAND COAL				Average	Average	Average
				Monthly	Monthly	Monthly
Month	Gas(MCF)	Gas(MCF)	Gas(MCF)	Prod.	Prod.	Prod.
January set CIBP; Perfs & frac 1/7/02	0	2326	367			
February drilled out CIBP 2/15/02	772	1492	610			
March	1739	429	3077			
April	0	0	3773			
May	0	443	2491			
June	0	613				
July	0	532				
August	197	1248				
September	1559	1377				
October	1657	1380				
November	1612	506				
December	1663	1481				
Total	9199	11827	10318	767	986	2064