

Energy Reserves Group, Inc.
P.O. Box 3280
Casper, Wyoming 82601
Phone 307 265 7331



August 31, 1979

U.S. Geological Survey
Oil & Gas Operations
P.O. Box 959
Farmington, New Mexico 87401

Re: Request for unorthodox well location, Gallegos Canoy Unit #288
SE $\frac{1}{4}$, NW $\frac{1}{4}$, Section 19, T29N-R12W. Lease No. SF-078949

Gentlemen:

We are in receipt of your letter of August 24, 1979 concerning spacing of the above referenced well.

This well is located east of Farmington near an Industrial Park Area. The well site is on private surface owned by three individuals from the Farmington area. These three individuals were contacted and the well placement was discussed along with their future plans for the development of the area. The site chosen was determined to be the most advantageous for the surface development of the surrounding area. (Attached is a rehabilitation agreement from the surface owners) We feel we have made a diligent effort to protect the rights of the surface owners and to stay within the spacing orders of the State of New Mexico.

We would appreciate your approval of this well site based on the above mentioned topographical conflict.

If you have any questions or need any further information, please call.

Very truly yours,

ENERGY RESERVES GROUP, INC.

William J. Fiant
Field Services Administrator

WJF/cc

Attachment



REHABILITATION AGREEMENT

Lease No.: SF-078949; Well Name and No.: GALLEGOS CANYON UNIT 28X;
Location: NE 1/4 NW 1/4 Sec. 19, T. 29 N., R. 12 W.

ENERGY RESERVES GROUP Oil Company intends to drill a well on surface owned by STW JOINT VENTURE. The lessee/operator agrees to complete the following rehabilitation work if the well is a producer:

☒ Yes ☐ No Maintain access road and provide adequate drainage to road.

☒ Yes ☐ No Reshape and reseed any area in excess of the pump and support facilities.

Other requirements: _____

The following work will be completed when the well is abandoned:

☒ Yes ☐ No Site will require reshaping to conform to existing topography.

☒ Yes ☐ No Pit will be fenced until dry, then filled to conform to topography.

☐ Yes ☐ No Entire disturbed area will be reseeded. If yes, the following seed mixture will be used:

☐ Yes ☐ No Access road will be rehabilitated and reseeded using the same seed mixture as above.

☒ Yes ☐ No Access road will remain for landowner's use.

Other requirements: _____

Landowner

STW, JOINT VENTURE

Name: By *Steve M. Thompson*

Address: P. O. BOX 201

City: FARMINGTON

State: NEW MEXICO

Telephone: (505)325-5750

Date: AUGUST 15, 1979

Operator/Lessee

Name: _____

Address: _____

City: _____

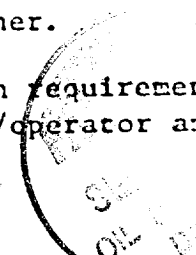
State: _____

Telephone: _____

Date: _____

☒ Yes ☐ No I certify rehabilitation has been discussed with the surface owner.

This agreement covers rehabilitation requirements only and does not affect any other agreements between the lessee/operator and surface owner.



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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 Form 9-331-C for such proposals.)

1. oil well <input type="checkbox"/>	gas well <input checked="" type="checkbox"/>	other <input type="checkbox"/>
2. NAME OF OPERATOR <u>Energy Reserves Group, Inc</u>		
3. ADDRESS OF OPERATOR <u>Box 3280, Casper, Wyoming 82602</u>		
4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.) AT SURFACE: 1446' FNL & 1410' FWL (SE-NW) AT TOP PROD. INTERVAL: AT TOTAL DEPTH:		
16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		

REQUEST FOR APPROVAL TO:	SUBSEQUENT REPORT OF:
TEST WATER SHUT-OFF <input type="checkbox"/>	<input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	<input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	<input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	<input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	<input type="checkbox"/>
MULTIPLE COMPLETE <input type="checkbox"/>	<input type="checkbox"/>
CHANGE ZONES <input type="checkbox"/>	<input type="checkbox"/>
ABANDON* <input type="checkbox"/>	<input type="checkbox"/>
(other) <u>Well History</u>	<u>X</u>

5. LEASE <u>SF 078949</u>
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
7. UNIT AGREEMENT NAME <u>Gallegos Canyon Unit</u>
8. FARM OR LEASE NAME <u>Gallegos Canyon</u>
9. WELL NO. <u>288</u>
10. FIELD OR WILDCAT NAME <u>West Kutz Pictured Cliffs</u>
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA <u>Sec 19, T29N-R12W</u>
12. COUNTY OR PARISH <u>San Juan</u>
13. STATE <u>New Mexico</u>
14. API NO.
15. ELEVATIONS (SHOW DF, KDB, AND WD) <u>GL 5404'-KB5414'</u>

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

The above referenced well was spudded @ 7:00P.M. 11-14-79.

Drilled 12 1/4" hole to 135' K.B. and set 3 jts, 8-5/8", 20#, MU46, Range 3, 8Rth, new casing @132' K.B. Cemented w/175sx. class B cement w/2% Cacl2 & 1/4# Flocele/sk. Plug down @ 8:00 A.M. 11-16-79. Good returns.

Nippled up & pressure tested BOPE to 600 PSI - Held O.K.

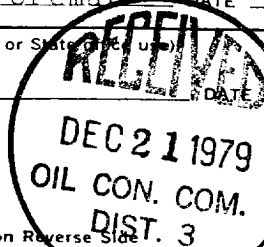
Drilled 6-3/4" hole to 1550' K.B. & ran logs.

Ran 38 jts 4 1/2", 9.5#, K-55, 8Rth, ST&C, New casing set @ 1525' K.B. Cemented w/275 sx. 50-50 pozmix B w/1/4# Flocele/sk. plug down @ 11:00P.M. 11-19-79 Good returns 11-20-79 WOC & WOCT
Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.

18. I hereby certify that the foregoing is true and correct

SIGNED [Signature] TITLE Drlg. Foreman DATE 11-20-79

(This space for Federal or State use)

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

ACCEPTED

DEC 18 1979

FARMINGTON DISTRICT

BY WS

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Form Approved.
Budget Bureau No. 42-R1424

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 Form 9-331-C for such proposals.)

1. oil ☐ gas ☒ other ☐

2. NAME OF OPERATOR

Energy Reserves Group, Inc

3. ADDRESS OF OPERATOR

Box 3280, Casper, Wyoming 82602

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)

AT SURFACE: 1446' FNL & 1410' FWL(SE-NW)

AT TOP PROD. INTERVAL:

AT TOTAL DEPTH:

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:

SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF ☐
FRACTURE TREAT ☐
SHOOT OR ACIDIZE ☐
REPAIR WELL ☐
PULL OR ALTER CASING ☐
MULTIPLE COMPLETE ☐
CHANGE ZONES ☐
ABANDON* ☐

(other) Well History

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☐
☐
☐
☐
☐
☐
☒

5. LEASE

SF 078949

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

Gallegos Canyon Unit

8. FARM OR LEASE NAME

Gallegos Canyon

9. WELL NO.

288

10. FIELD OR WILDCAT NAME

West Kutz Pictured Cliffs

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

Sec 19, T29N-R12W

12. COUNTY OR PARISH

San Juan

13. STATE

New Mexico

14. API NO.

15. ELEVATIONS (SHOW DF, KDB, AND WD)
GL 5404'-KB5414'

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

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Nippled up & pressure tested BOPE to 600 PSI - Held O.K.

Drilled 6-3/4" hole to 1550' K.B. & ran logs.

Ran 38 jts 4 1/2", 9.5#, K-55, 8Rth, ST&C, New casing set @ 1525'K.B. Cemented w/275 sx. 50-50 pozmix B w/1/4# Flocele/sk. plug down @11:00P.M. 11-19-79 Good returns
Subsurface Safety Valve: Manu. and Type 11-20-79 WOC & WOC
Set @ _____ Ft.

18. I hereby certify that the foregoing is true and correct

SIGNED _____ TITLE Drlg. Foreman DATE 11-20-79

(This space for Federal or State office use)

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

DATE

NMOCC

APPROVED

NOV 29 1979

JAMES F. SIMS

DISTRICT OIL & GAS SUPERVISOR

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Form Approved.
Budget Bureau No. 42-R1424

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 Form 9-331-C for such proposals.)

1. oil ☐ well gas ☒ well other ☐
2. NAME OF OPERATOR
Energy Reserves Group, Inc.
3. ADDRESS OF OPERATOR
P.O. Box 3280, Casper, Wyoming 82602
4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 1446' FNL, 1410' FWL (SE NW)
AT TOP PROD. INTERVAL:
AT TOTAL DEPTH:
16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:

- TEST WATER SHUT-OFF ☐
FRACTURE TREAT ☐
SHOOT OR ACIDIZE ☐
REPAIR WELL ☐
PULL OR ALTER CASING ☐
MULTIPLE COMPLETE ☐
CHANGE ZONES ☐
ABANDON* ☐
(other) ☐

SUBSEQUENT REPORT OF:

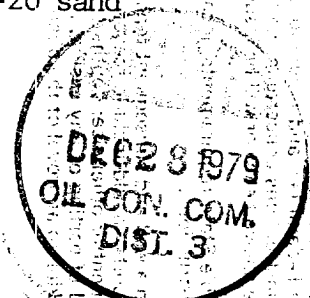
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5. LEASE
SF-078949
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
7. UNIT AGREEMENT NAME
Gallegos Canyon Unit
8. FARM OR LEASE NAME
Gallegos Canyon Unit
9. WELL NO.
288
10. FIELD OR WILDCAT NAME
Kutz Pictured Cliffs, West
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec 19-T29N-R12W
12. COUNTY OR PARISH
San Juan
13. STATE
New Mexico
14. API NO.
15. ELEVATIONS (SHOW DF, KDB, AND WD)
GRD 5404' KB 5414'

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Pictured Cliffs sand perfed 1308'-16'; 1326'-30' w/1 JSPF
Broke down perms w/750 gals 15% HCl + additives. Fraced
perms w/24,000 gals 70% Quality Foam + 40,000 #10-20 sand
@ 2 PPG.



Subsurface Safety Valve: Manu. and Type _____

Set @ _____ Ft.

18. I hereby certify that the foregoing is true and correct

SIGNED Henry B. Barwell TITLE Dist. Prod. Engr-DMD DATE 12-18-79

(This space for Federal or State office use)

APPROVED BY _____
CONDITIONS OF APPROVAL, IF ANY:

TITLE _____ DATE ACCEPTED FOR RECORD

NMOCC

*See Instructions on Reverse Side

DEC 27 79

FARMINGTON DISTRICT

BY WJS

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE*

(See other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R355.5.

5. LEASE DESIGNATION AND SERIAL NO.

SF-078949

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

Gallegos Canyon Unit

8. FARM OR LEASE NAME

Gallegos Canyon

9. WELL NO.

288

10. FIELD AND POOL, OR WILDCAT

Kutz Pictured Cliffs, West

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

Sec. 19- T29N-R12W

12. COUNTY OR PARISH

San Juan

13. STATE

New Mexico

18. ELEVATIONS (DF, REB, RT, GR, ETC.)*

GRD 5,404' KB 5,414'

19. ELEV. CASINGHEAD

23. INTERVALS DRILLED BY

0-TD

25. WAS DIRECTIONAL SURVEY MADE

NO

27. WAS WELL CORED

NO

29. LINER RECORD

30. TUBING RECORD

31. PERFORATION RECORD (Interval, size and number)

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

33. DATE FIRST PRODUCTION

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

TITLE Dist. Prod. Engr. - RMD

DATE 12-6-79

TEST WITNESSED BY

T.C. Durham

Sample Description

(See Instructions and Spaces for Additional Data on Reverse Side)

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ DRY ☐ Other

2. TYPE OF COMPLETION: NEW WELL ☒ WORK OVER ☐ DEEP-EN ☐ PLUG BACK ☐ DIFF. RESVR. ☐ Other

3. NAME OF OPERATOR

Energy Reserves Group, Inc.

4. ADDRESS OF OPERATOR

P.O. Box 3280, Casper, Wyoming 82602

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 1,446' FNL, 1,410' FWL (SENW)

At top prod. interval reported below

At total depth

14. PERMIT NO.

DATE ISSUED

15. DATE SPUDDED

11-14-79

16. DATE T.D. REACHED

11-19-79

17. DATE COMPL. (Ready to prod.)

12-5-79

20. TOTAL DEPTH, MD & TVD

1,550'

21. PLUG, BACK T.D., MD & TVD

1,484'

22. IF MULTIPLE COMPL., HOW MANY*

NA

24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)*

1,308'-16'; 1,326'-30'

26. TYPE ELECTRIC AND OTHER LOGS RUN

Induction - GR; Comp. Densilog - Neutron

28. CASING RECORD (Report all strings set in well)

29. LINER RECORD

30. TUBING RECORD

31. PERFORATION RECORD (Interval, size and number)

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

33. DATE FIRST PRODUCTION

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

TITLE Dist. Prod. Engr. - RMD

DATE 12-6-79

TEST WITNESSED BY

T.C. Durham

Sample Description

(See Instructions and Spaces for Additional Data on Reverse Side)

NMOCC

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 33.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.

Items 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: "Nacks (cement)": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

37. SUMMARY OF POROSITY ZONES:

SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
			SEE ATTACHED

38. GEOLOGIC MARKERS

NAME	MEAS. DEPTH	TRUE VERT. DEPTH
Log Tops		
Fruitland	1,010'	
Pictured Cliffs	1,296'	
Lewis	1,528'	
TD Driller	1,550'	
logger	1,538'	