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LAND OFFICE	
OPERATOR	

5A. Indicate Type of Lease
STATE <input type="checkbox"/> FFE <input checked="" type="checkbox"/>
5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work		7. Unit Agreement Name	
b. Type of Well OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		Gallegos Canyon Unit	
2. Name of Operator AMOCO PRODUCTION COMPANY		8. Term of Lease Name	
3. Address of Operator 501 Airport Drive, Farmington, NM 87401		9. Well No. 163E	
4. Location of Well UNIT LETTER <u>M</u> LOCATED <u>930</u> FEET FROM THE <u>South</u> LINE AND <u>1120</u> FEET FROM THE <u>West</u> LINE OF SEC. <u>26</u> TWP. <u>29N</u> RGE. <u>13W</u> MAPA		10. Field and Pool, or Wildcat Basin Dakota	
11. Proposed Depth 6382'		12. County San Juan	
19A. Formation Dakota		20. Rotary or C.T. Rotary	
21. Elevations (Show whether DT, RT, etc.) 5832' GL		22. Approx. Date Work will start as soon as permitted	
21A. Kind & Status Plug. Bond Statewide		21B. Drilling Contractor Unknown	

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/2"	8 5/8"	24.0 #	300'	315 sx	Surface
7 7/8"	4 1/2"	11.6 #	6382'	1100 sx	Surface

Amoco proposes to drill the above well to further develop the Basin Dakota reservoir. The well will be drilled to the surface casing point using native mud. The well will then be drilled to TD with a low solids nondispersed mud system. Completion design will be based on open hole logs. Copy of all logs will be filed upon completion. Amoco's standard blowout prevention will be employed; see attached drawing for blowout preventer design.

Upon completion the well location will be cleaned and the reserve pit filled and leveled.

Gas produced from this well is dedicated to El Paso Natural Gas, Contract No. 56742.

APPROVAL VALID
FOR 90 DAYS UNLESS
DRILLING COMMENCED,

EXPIRES 8-17-81

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTION ZONE AND PROPOSED NEW PRODUCTION ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed W. L. Peterson Title District Engineer Date 2-13-81

(This space for State Use)

SUPERVISOR DISTRICT 3

APPROVED BY Frank J. Clary TITLE _____ DATE FEB 17 1981

CONDITIONS OF APPROVAL, IF ANY:



All distances must be from the outer boundaries of the Section.

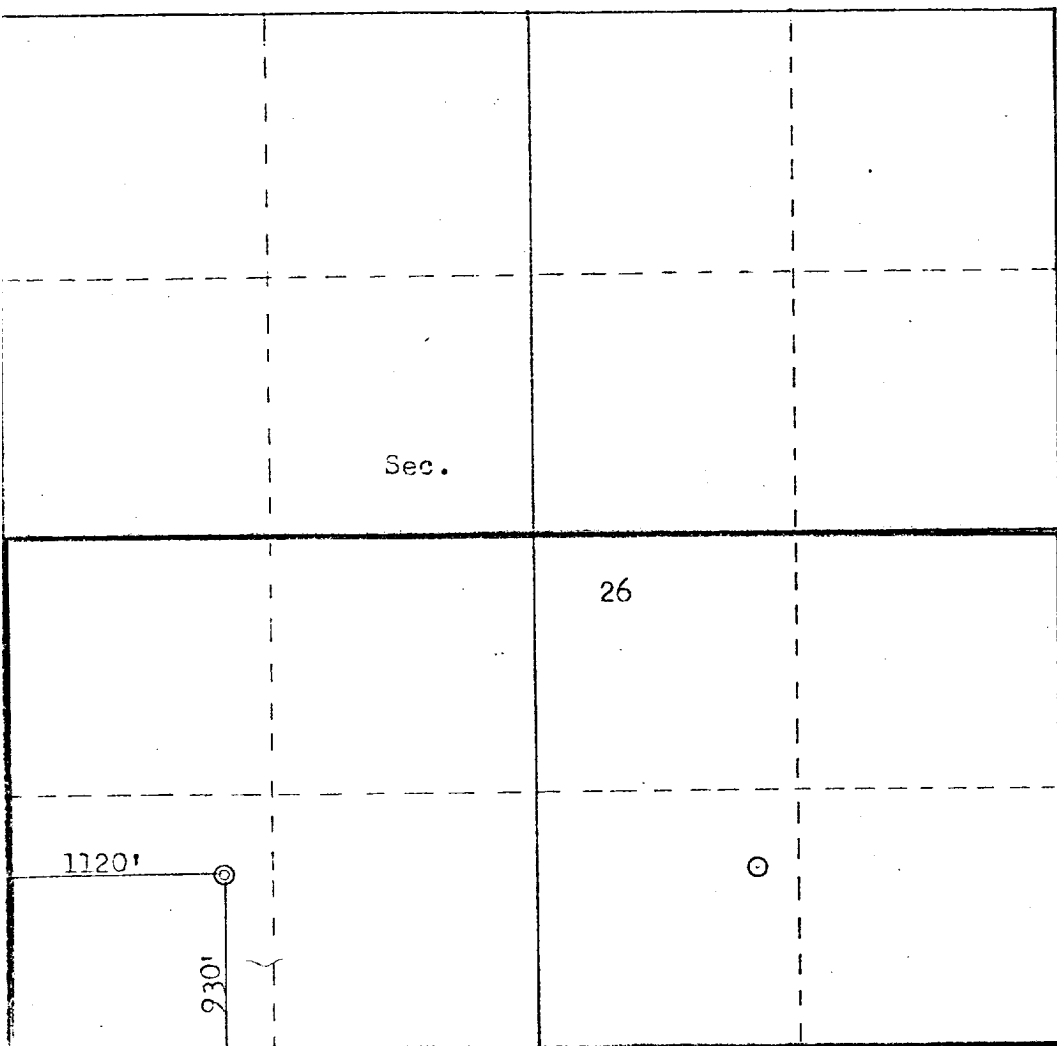
AMOCO PRODUCTION COMPANY			Lease GALLEGOS CANYON UNIT		Well No. 163E
Well Letter M	Section 26	Township 29N	Range 13W	County San Juan	
Actual Footage Location of Well: 930 feet from the South line and 1120 feet from the West line					
Ground Level Elev. 5832	Producing Formation Dakota	Pool Basin Dakota	Dedicated Acreage: 320 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Unitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



Scale: 1"=1000'

CERTIFICATION

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

W. L. Peterson
Name

W. L. PETERSON

Position

DISTRICT ENGINEER

Company

AMOCO PRODUCTION COMPANY

Date

2-12-81

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.

Date Surveyed

December 11, 1980

Registered Professional Engineer and Land Surveyor

Fred B. Kerr Jr.
Fred B. Kerr Jr.

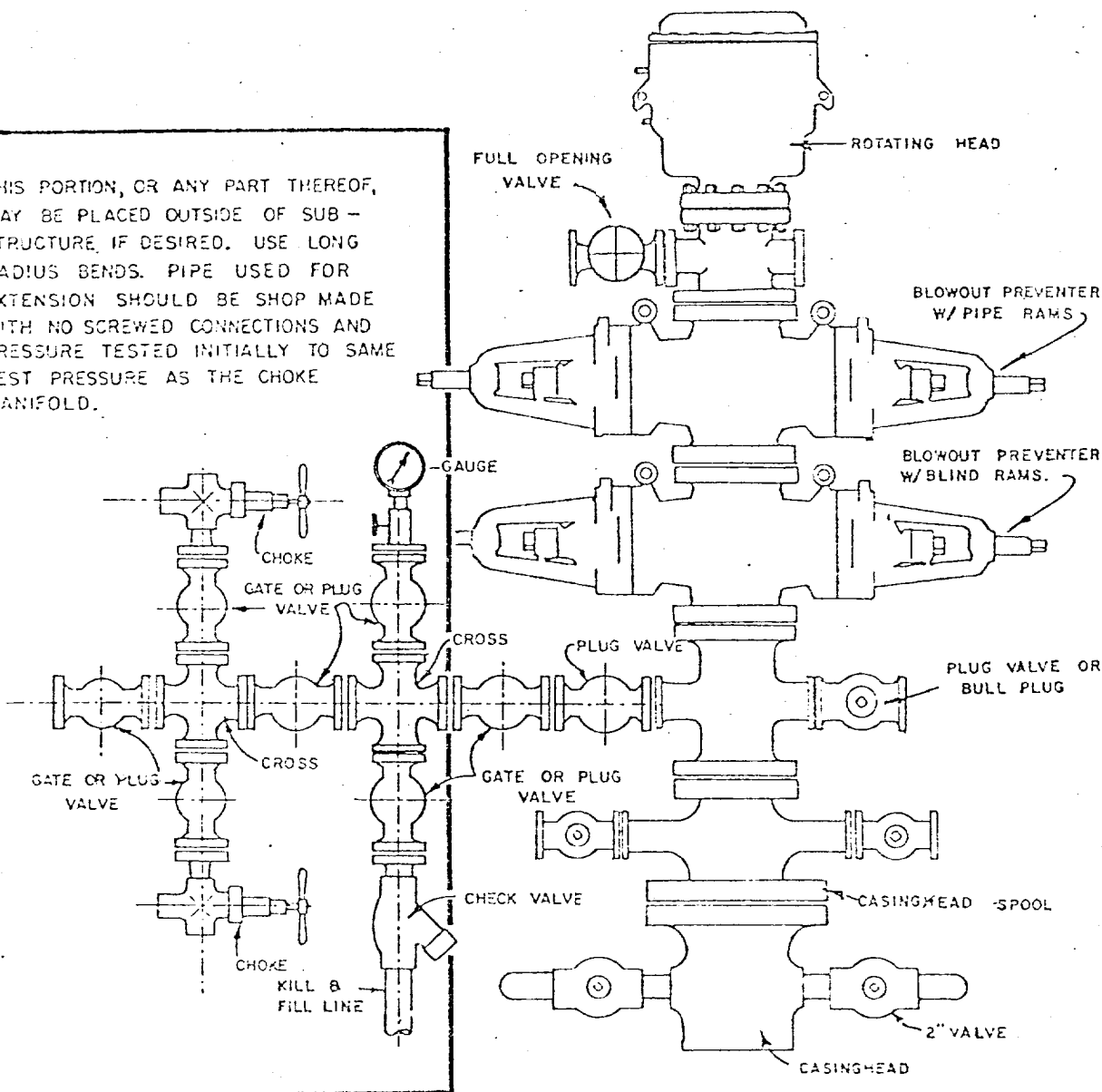
Certificate No. 159

3950

good condition.

2. Equipment through which bit must pass shall be as large as the inside diameter of the casing that is being drilled through.
3. Nipple above Blowout Preventer shall be same size or larger than BOP being drilled through.
4. All fittings to be flanged.
5. Omsco or comparable safety valve must be available on rig floor at all times with proper connection or sub. The I.D. of safety valve should be as great as I.D. of tool joints of drill pipe, or at least as great as I.D. of drill collars.

THIS PORTION, OR ANY PART THEREOF, MAY BE PLACED OUTSIDE OF SUB-STRUCTURE IF DESIRED. USE LONG RADIUS BENDS. PIPE USED FOR EXTENSION SHOULD BE SHOP MADE WITH NO SCREWED CONNECTIONS AND PRESSURE TESTED INITIALLY TO SAME TEST PRESSURE AS THE CHOKE MANIFOLD.



BLOWOUT PREVENTER HOOKUP

API Series # 900

EXHIBIT D-4

OCTOBER 16, 1969

Operation of BOP by closing both pipe and blind rams will be tested each trip or, on long bit runs, pipe rams will be closed once each 24 hours.