

Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

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

API NO. (assigned by OCD on New Wells)
30-045-26119
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK					
1a. Type of Work: DRILL <input type="checkbox"/> RE-ENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input checked="" type="checkbox"/>				7. Lease Name or Unit Agreement Name	
b. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				GALLEGOS CANYON UNIT	
2. Name of Operator BHP PETROLEUM (AMERICAS)				8. Well No. 340	
3. Address of Operator P.O. BOX 977 FARMINGTON NM 87499				9. Pool name or Wildcat N. PINON FRUITLAND SAND	
4. Well Location Unit Letter E : 1370' Feet From The NORTH Line and 475' Feet From The WEST Line Section 24 Township 29N Range 13W NMPM SAN JUAN County					
10. Proposed Depth PBDT +/- 1125'		11. Formation FRUITLAND SAND		12. Rotary or C.T.	
13. Elevations (Show whether DF, RT, GR, etc.) GR 5335' KB 5343'		14. Kind & Status Plug Bond BLANKET		15. Drilling Contractor	
16. Approx. Date Work will start ON APPROVAL					
17. PROPOSED CASING AND CEMENT PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
9 7/8 "	7"	23#	159'	247.8 ft3	SURFACE
6 1/4 "	4 1/2 "	10.5#	1310'	220 ft3	SURFACE

Due to the poor deliverability volumes in the picture cliff formation BHP is proposing to recomplete the subject well in the fruitland sand formation as follows:

1. Set CIBP at +/- 1150'
2. Dump 3sx class "B" cement on top of CIBP w/ dump bailer
3. Pressure test CIBP and CSG. to 3,000 psi
4. Run GR/CBL log from PBDT to +/- 700'
5. Perforate the fruitland sand at 917'-934' w/1JSPF
6. Break down perms. w/ 1000 gal. 2% KCL water
7. Frac down 2 3/8" tbg. and 2 3/8" X 4 1/2" annulus w/ 23,000 gal. 70 quality foam, 33,500# 12-20 sand and 145,000 scf N2
8. Flow back and test well

RECEIVED

SEP 14 1989

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

SIGNATURE FRED LOWERY TITLE OPERATIONS SUPT. DATE 09-12-89
TYPE OR PRINT NAME FRED LOWERY TELEPHONE NO. 327-1639

(This space for State Use)

APPROVED BY Original Signed by FRANK T. CHAVEZ TITLE SUPERVISOR DISTRICT 3 DATE SEP 14 1989
CONDITIONS OF APPROVAL, IF ANY:

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

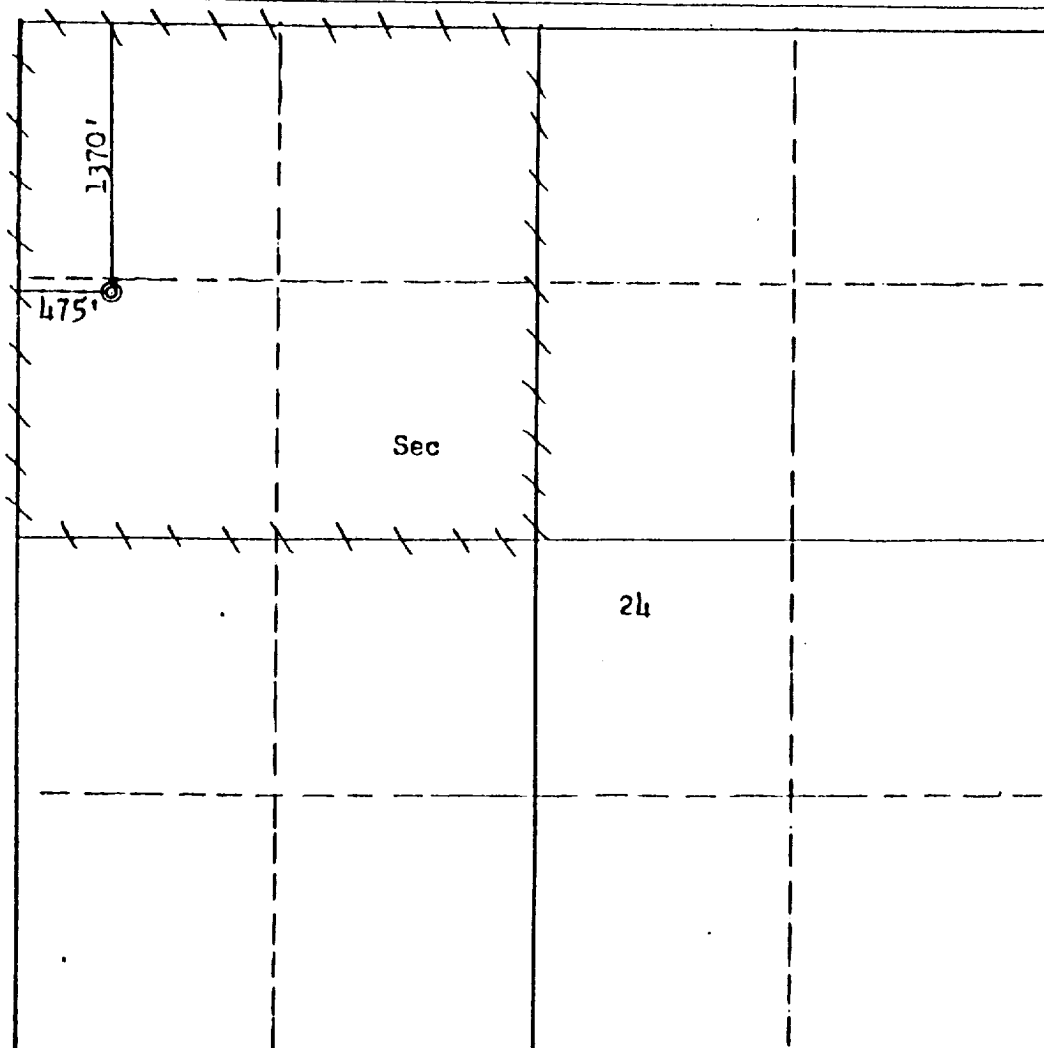
Operator ENERGY RESERVES GROUP		Lease CALLEGOS CANYON UNIT		Well No. 340
Init Letter E	Section 24	Township 29N	Range 13W	County San Juan
Actual Footage Location of Well: 1370 feet from the North line and 475 feet from the West line				
Ground Level Elev: 5335	Producing Formation FRUITLAND SAND		Pool N. PINON FRUITLAND SAND	Dedicated Acreage 160 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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.	
FRED LOWERY <i>[Signature]</i>	
Name	
OPERATIONS SUPT.	
Position	
BHP PETROLEUM (AMERICAS)	
Company	
09-12-89	
Date	
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 September 12, 1984	
Registered Professional Engineer and Land Surveyor	
<i>[Signature]</i> Fred. B. Kert Jr.	
Certificate No. 3950	