

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

30-045-27537

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)

5. Indicate Type of Lease

STATE ☐

FEE ☒

6. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:

DRILL ☒

RE-ENTER ☐

DEEPEN ☐

PLUG BACK ☐

b. Type of Well:

OIL  
WELL ☐

GAS  
WELL ☒

OTHER

SINGLE  
ZONE ☒

MULTIPLE  
ZONE ☐

7. Lease Name or Unit Agreement Name

Gallegos Canyon Unit

2. Name of Operator

BHP Petroleum (Americas) Inc.

8. Well No.

377

3. Address of Operator

5847 San Felipe, Suite 3600, Houston Texas 77057

9. Pool name or Wildcat

Basin Fruitland Coal

4. Well Location

Unit Letter N : 1150 Feet From The South Line and 1540 Feet From The West Line

Section 24

Township 29N

Range 13 W.

NMPM San Juan

County

10. Proposed Depth

1400'

11. Formation

Fruitland Coal

12. Rotary or C.T.

Rotary

13. Elevations (Show whether DF, RT, GR, etc.)

5290' GR

14. Kind & Status Plug. Bond

Blanket

15. Drilling Contractor

Unknown

16. Approx. Date Work will start

As soon as approved

17.

PROPOSED CASING AND CEMENT PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | SACKS OF CEMENT     | EST. TOP |
|--------------|----------------|-----------------|---------------|---------------------|----------|
| 8 3/4"       | 7"             | 20#             | ± 120'        | 35 SX (41 cu.ft.)   | Surface  |
| 6 1/4"       | 4 1/2"         | 9.5#            | ± 1400'       | 125 SX (188 cu.ft.) | Surface  |

It is proposed to drill the subject well to 1400' with the primary production anticipated in the Fruitland Coal.

Estimated Formation Tops: Kirkland 100'

Fruitland Sand 852'

Fruitland Coal 1115'

Pictured Cliffs 1154'

T. D. 1400'

APPROVAL EXTENDS 6-5-90  
UNLESS DRILLING IS COMPLETED.  
SPUD NOTICE MUST BE SUBMITTED  
WITHIN 10 DAYS.

RECEIVED  
DECO 41339  
OIL CON. DIV.  
DEC 05 1989

BOPE will consist of a minimum of an 8" Regan "K" 3000# Annular preventor.

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 Chuck Williams TITLE Administrator, Field Service DATE 11/27/89

TYPE OR PRINT NAME

TELEPHONE NO. 713-780-5000  
5447

(This space for State Use)

APPROVED BY Steve Burch DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE DEC 05 1989

CONDITIONS OF APPROVAL, IF ANY:

Submit to Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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WELL LOCATION AND ACREAGE DEDICATION PLAT

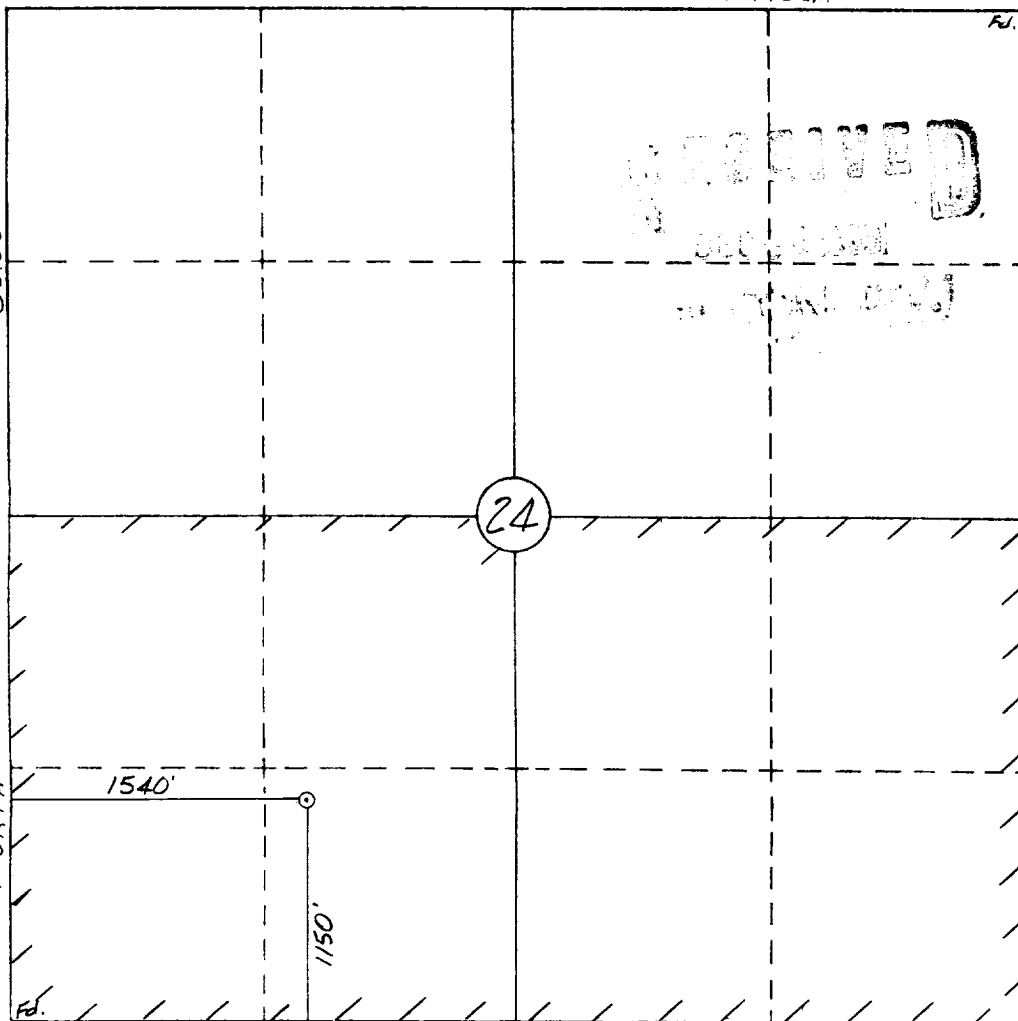
All Distances must be from the outer boundaries of the section

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                       |                  |                               |                    |                                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|------------------|-------------------------------|--------------------|---------------------------------|
| Operator<br>BHP PETROLEUM (AMERICAS) INC.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                       |                  | Lease<br>GALLEGOS CANYON UNIT |                    | Well No.<br>377                 |
| Unit Letter<br>N                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Section<br>24                         | Township<br>29 N | Range<br>13 W                 | County<br>San Juan |                                 |
| Actual Footage Location of Well:<br>1150 feet from the South line and 1540 feet from the West line                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                       |                  |                               |                    |                                 |
| Ground level Elev.<br>5290                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Producing Formation<br>Fruitland Coal |                  | Pool<br>Basin Fruitland Coal  |                    | Dedicated Acreage:<br>320 Acres |
| <p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>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).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?<br/><input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____<br/>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____<br/>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 interest, has been approved by the Division.</p> |                                       |                  |                               |                    |                                 |

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

WEST

79.90 CH.



OPERATOR CERTIFICATION

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

Signature

Chuck Williams

Printed Name

Chuck Williams

Position

Field Services Administrator

Company

BHP Petroleum (Americas) Inc.

Date

October 17, 1989

SURVEYOR CERTIFICATION

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.

10-5-89

Date Surveyed

William E. Mahnke II

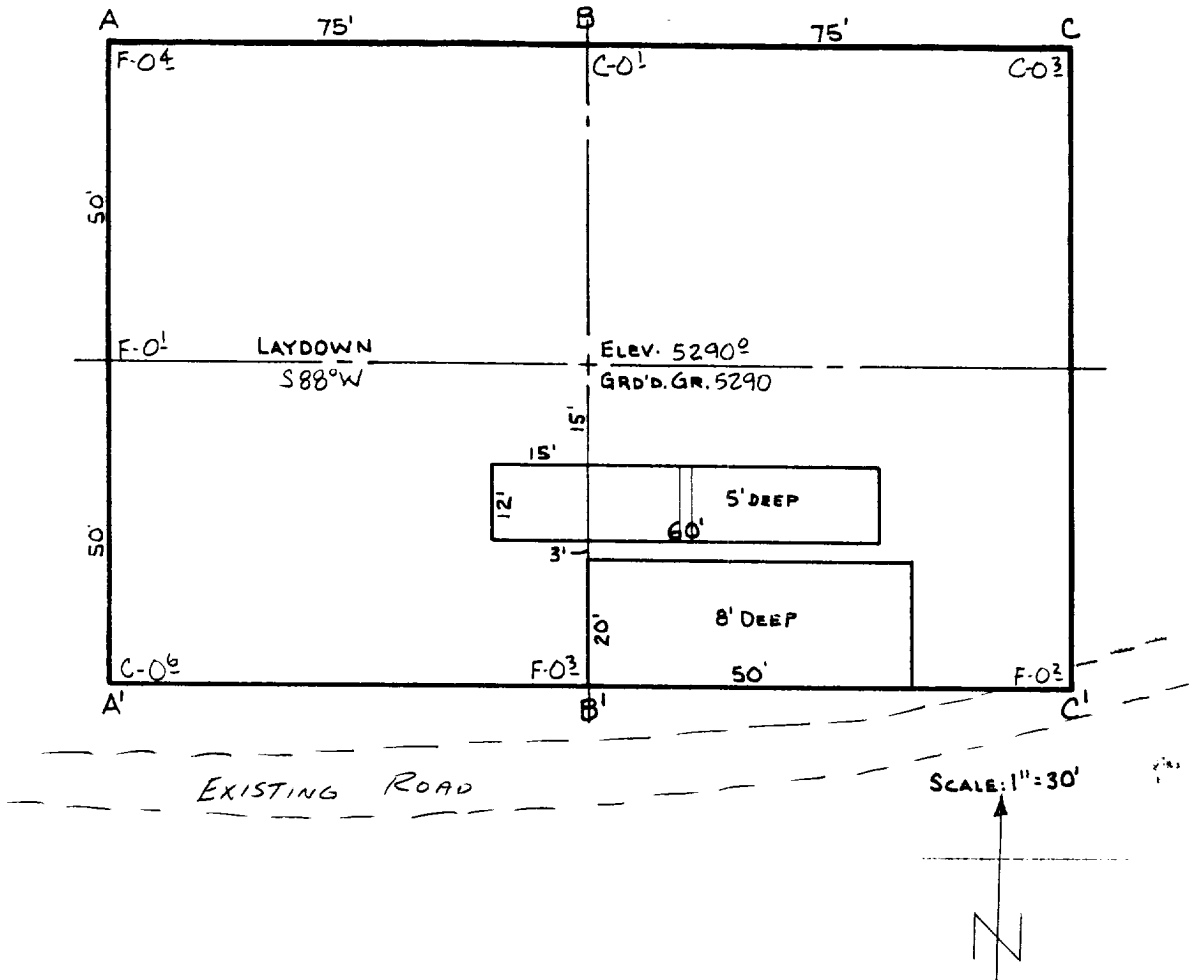
Signature & Seal of Professional Surveyor



Certificate No.

8466

BHP PETROLEUM (AMERICAS) INC.  
 GALLEGOS CANYON UNIT #377  
 1150' FSL & 1540' FWL  
 Sec. 24, T29N, R13W  
 San Juan Co., N.M.



| A-A' | Vert.: 1" = 30' |  | Horiz.: 1" = 50' |  | C/L |  |
|------|-----------------|--|------------------|--|-----|--|
| 5290 |                 |  |                  |  |     |  |
| 5280 |                 |  |                  |  |     |  |
|      |                 |  |                  |  |     |  |

| B-B' | Vert.: 1" = 30' |  | Horiz.: 1" = 50' |  | C/L |  |
|------|-----------------|--|------------------|--|-----|--|
| 5290 |                 |  |                  |  |     |  |
| 5280 |                 |  |                  |  |     |  |
|      |                 |  |                  |  |     |  |

| C-C' | Vert.: 1" = 30' |  | Horiz.: 1" = 50' |  | C/L |  |
|------|-----------------|--|------------------|--|-----|--|
| 5290 |                 |  |                  |  |     |  |
| 5280 |                 |  |                  |  |     |  |
|      |                 |  |                  |  |     |  |

