

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

December 13, 1990

BHP Petroleum  
5847 San Felipe  
Suite 3600  
Houston, TX 77057

**RECEIVED**  
DEC 17 1990  
OIL CON. DIV.  
DIST. 2

Attention: Chuck Williams

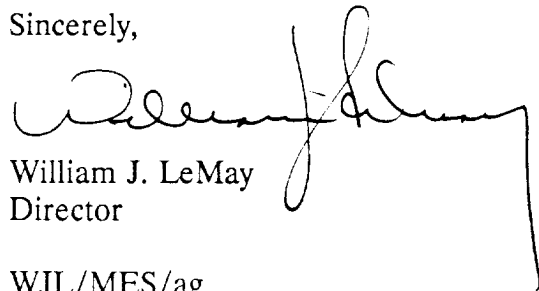
*Administrative Order NSL-2961*

Dear Mr. Williams:

Reference is made to your application dated September 5, 1990 for a non-standard gas well location for your Gallegos Canyon Unit Well No. 501 to be located 1655 feet from the South line and 2315 feet from the East line (Unit J) of Section 13, Township 29 North, Range 13 West, NMPM, Undesignated West Kutz Pictured Cliffs Pool, San Juan County, New Mexico. The SE/4 of said Section 13 shall be dedicated to the well forming a standard 160-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of General Rule 104.F.I the above-described unorthodox gas well location is hereby approved.

Sincerely,



William J. LeMay  
Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec

5847 San Felipe Suite 3600  
Houston, Texas 77057  
Telephone: (713) 780-5000  
FAX (713) 780-5273  
Telex 9108813603

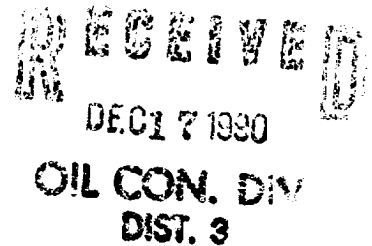
December 12, 1990

State of New Mexico  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088



Attention: Mr. Michael Stogner

RE: Unorthodox Location, Administrative Approval Request  
Gallegos Canyon Unit #501  
NW $\frac{1}{4}$  SE $\frac{1}{4}$ , Section 13, T29N, R13W  
San Juan County, New Mexico



Dear Mr. Stogner:

In response to your letter dated September 25, 1990, requesting that we investigate the possibility of locating the subject well at a standard location in the NE $\frac{1}{4}$  SE $\frac{1}{4}$ , Sec. 13, we did stake a well 790' FEL and 1840' FSL.

After discussing our plans to drill the well with the surface owner, it immediately became apparent that entering on the property to drill the well would be very difficult and might require the use of a "Restraining Order".

The surface owner informed me that he is currently negotiating with a prospective buyer who intends to subdivide the area for residential home sites. This was verified by a local Engineering and Surveying firm.

BHP respectfully requests that the original request for an unorthodox location 1655' FSL and 2315' FEL, Section 13, T29N, R13W be reactivated and/or reconsidered in light of the anticipated problems to drill the well at a standard location.

The original request's rationale for an unorthodox location was incorrectly submitted. I apologize for this error.

An unorthodox location is requested due to the surface owner problems discussed above and private residences located in the area where a standard location could be staked.

The proration unit is within the Gallegos Canyon Unit and BHP is the operator of all offsetting proration units.

BHP would like to thank you in advance for your assistance and cooperation in this matter.

Mr. Michael Stogner  
December 12, 1990  
Page 2

Please don't hesitate to contact me at (713) 780-5448, if you have any questions or need any additional information.

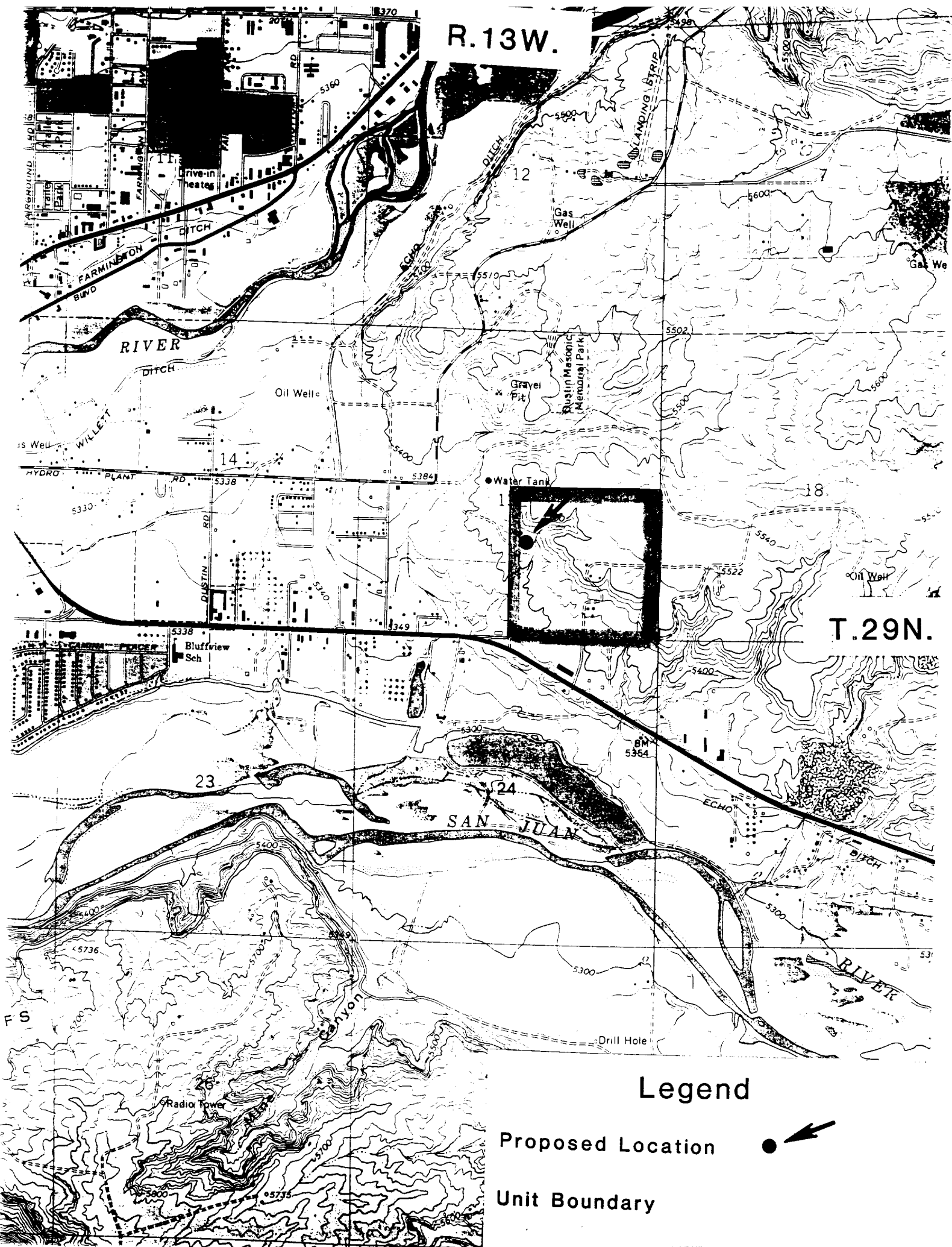
Sincerely,

A handwritten signature in cursive script that reads "Chuck Williams".

Chuck Williams  
Field Services Administrator  
Inland Business Unit

CW:rm

cc: Ernie Busch - Aztec, N.M.  
Fred Lowery - Farmington, N.M.



R.13W.

T.29N.

### Legend

Proposed Location

Unit Boundary

