

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

30-045-28265

5. LEASE DESIGNATION AND SERIAL NO.
SF 078926

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.
393

10. FIELD AND POOL, OR WILDCAT
Basin Fruitland Coal

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA
N Sec 25, T29N, R13W

12. COUNTY OR PARISH
San Juan

13. STATE
New Mexico

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
OIL WELL GAS WELL OTHER
SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
BHP Petroleum (Americas) Inc.

3. ADDRESS OF OPERATOR
5847 San Felipe Ste 3600 Houston TX 77057-3005

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface SE/SW 975 FSL + 1480 FWL
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approximately 2 miles southeast of Farmington, NM

15. DISTANCE FROM PROPOSED* APPROX 6760'
LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any) from Unit Boundary 2,561.19 1160'

16. NO. OF ACRES IN LEASE
2,561.19 1160'

17. NO. OF ACRES ASSIGNED TO THIS WELL
320

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
150'

19. PROPOSED DEPTH
1645'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
GR 5670'

22. APPROX. DATE WORK WILL START*
Fall 1990

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8 3/4"	7"	20#	± 130'	50 sx (57.5 cu.ft.) Surf
6 1/4"	4 1/2"	10.5#	± 1645'	297 sx (255 cu.ft.)

RECEIVED
 SEP 20 1990
 OIL CON. DIV.
 DIST. 9

RECEIVED
SEP 20 1990
OIL CON. DIV.
DIST. 9

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. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Chuck Williams TITLE Field Services Administrator DATE 8/1/90
SIGNED Chuck Williams TITLE _____ DATE _____

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

See Instructions On Reverse Side

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-108
Revised 1-1-89

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

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

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

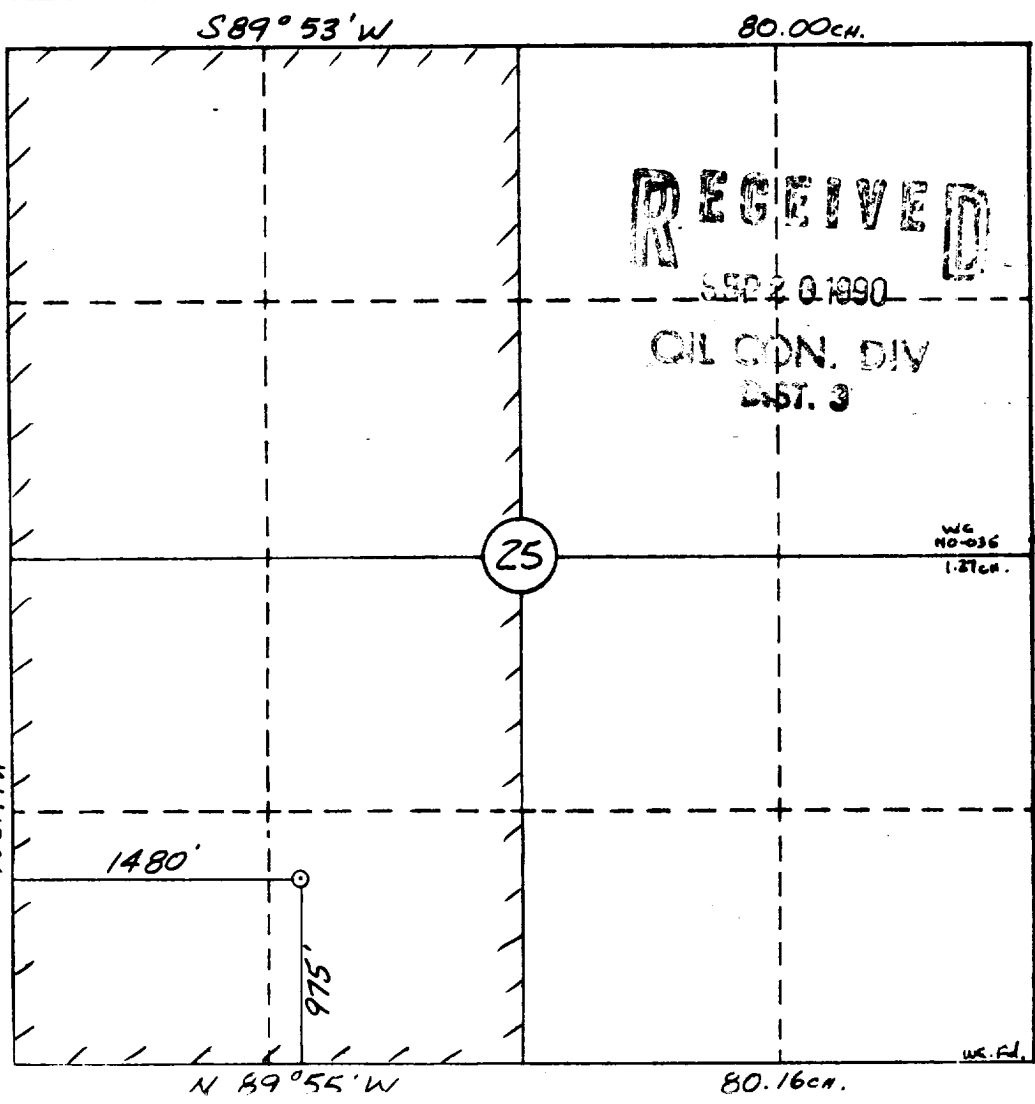
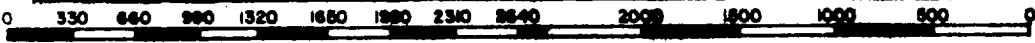
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator BHP PETROLEUM (AMERICAS) INC.		Lease GALLEGOS CANYON UNIT		Well No. 393
Unit Letter N	Section 25	Township 29 N	Range 13 W	County San Juan
Actual Footage Location of Well: 975 feet from the South line and 1480 feet from the West line				
Ground level Elev. 5670	Producing Formation Fruitland Coal	Pool Basin Fruitland Coal	Dedicated Acreage: 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.? <input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____ 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 interest, has been approved by the Division.</p>				

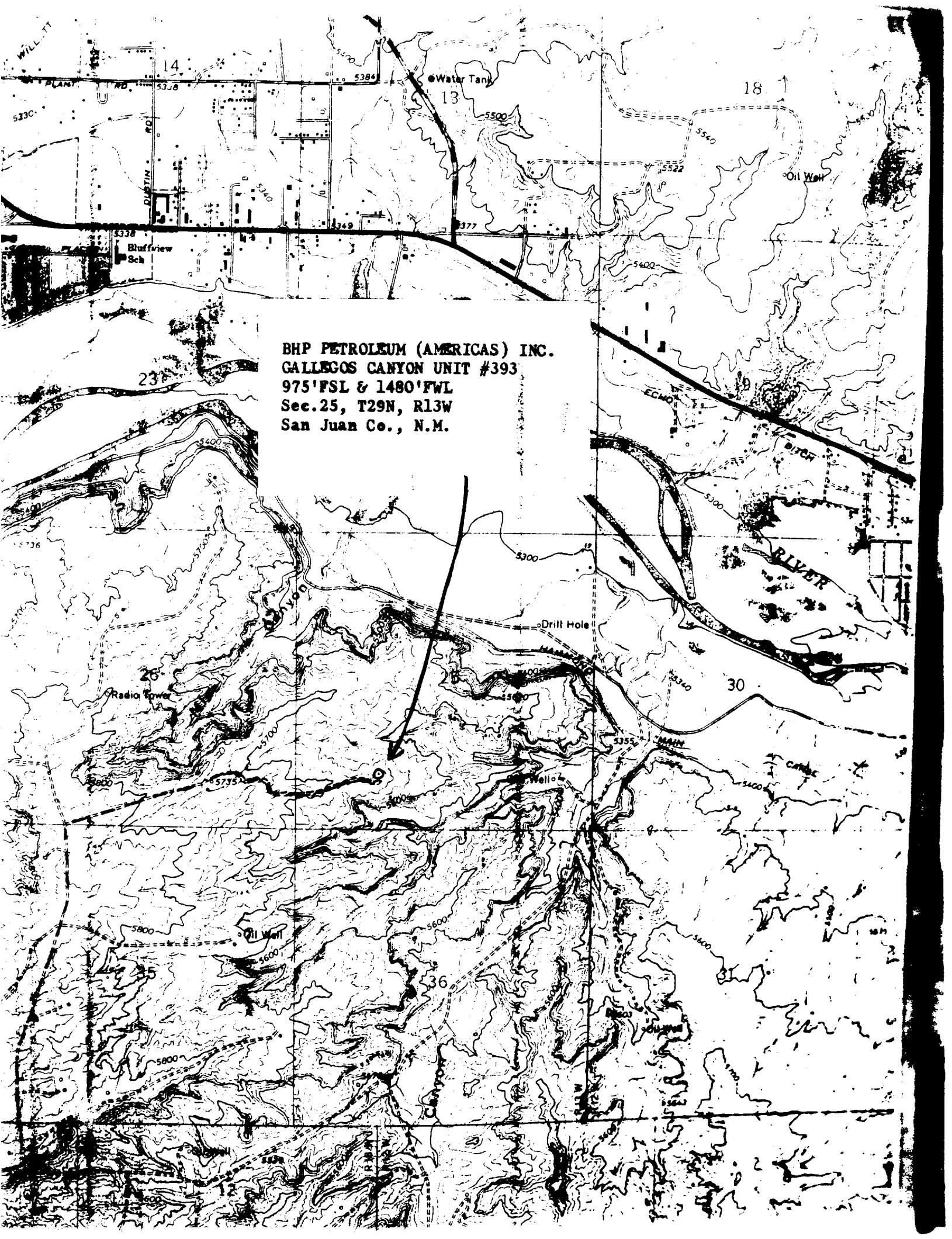


OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Chuck Williams*
Printed Name: **Chuck Williams**
Position: **Field Services Administrator**
Company: **BHP Petroleum (Americas) Inc.**
Date: **08/01/90**

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.
Date Surveyed: **7-13-90**
Surveyor: **William E. Mahnke II**

Signature & Seal of Professional Surveyor:
WILLIAM E. MAHNKE II
NEW MEXICO
REG. #8466
CERTIFIED PROFESSIONAL LAND SURVEYOR



BHP PETROLEUM (AMERICAS) INC.
GALLEGOS CANYON UNIT #393
975' FSL & 1480' FWL
Sec. 25, T29N, R13W
San Juan Co., N.M.