

SUBMIT IN TRIPLICATE*

(*Other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>				5. LEASE DESIGNATION AND SERIAL NO. SF 078949	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>				6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR BHP Petroleum (Americas) Inc.				7. UNIT AGREEMENT NAME Gallegos Canyon Unit	
3. ADDRESS OF OPERATOR 5847 San Felipe Suite 3600 Houston, Texas 77057-3005				8. FARM OR LEASE NAME Gallegos Canyon Unit	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface SW SW 1070/S + 1150/W At proposed prod. zone				9. WELL NO. 387	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 2 miles East of Farmington, New Mexico				10. FIELD AND POOL, OR WILDCAT Basin Fruitland Coal	
15. DISTANCE FROM PROPOSED* Approx. 4210' from Unit Boundary		16. NO. OF ACRES IN LEASE 2,561.19 199.48		17. NO. OF ACRES ASSIGNED TO THIS WELL 320 w/ 316.44	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 129.5'		19. PROPOSED DEPTH 1569'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5523' GR				22. APPROX. DATE WORK WILL START* Fall 1990	
23. This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and proposed pursuant to 43 CFR 3165.4 and PROPOSED CASING AND CEMENTING PROGRAM				DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS"	
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.)	
6 1/4"	4 1/2"	10.5#	±1569'	198 sx (244 cu.ft.)	

The proposed well is within 1 mile of the city limits of Farmington, N. M.
In a spirit of cooperation, BHP intends to comply with the city's request that we obtain the same city permits required to drill within the city limits.

RECEIVED
DEC 31 1990
OIL CON. DIV.
DIST. 3

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 7/17/90
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____
CONDITIONS OF APPROVAL, IF ANY: Head C-104 For Pool Change of the well
GCU # 77 NMOCB
DATE DEC 24 1990
AREA MANAGER

*See Instructions On Reverse Side

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

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

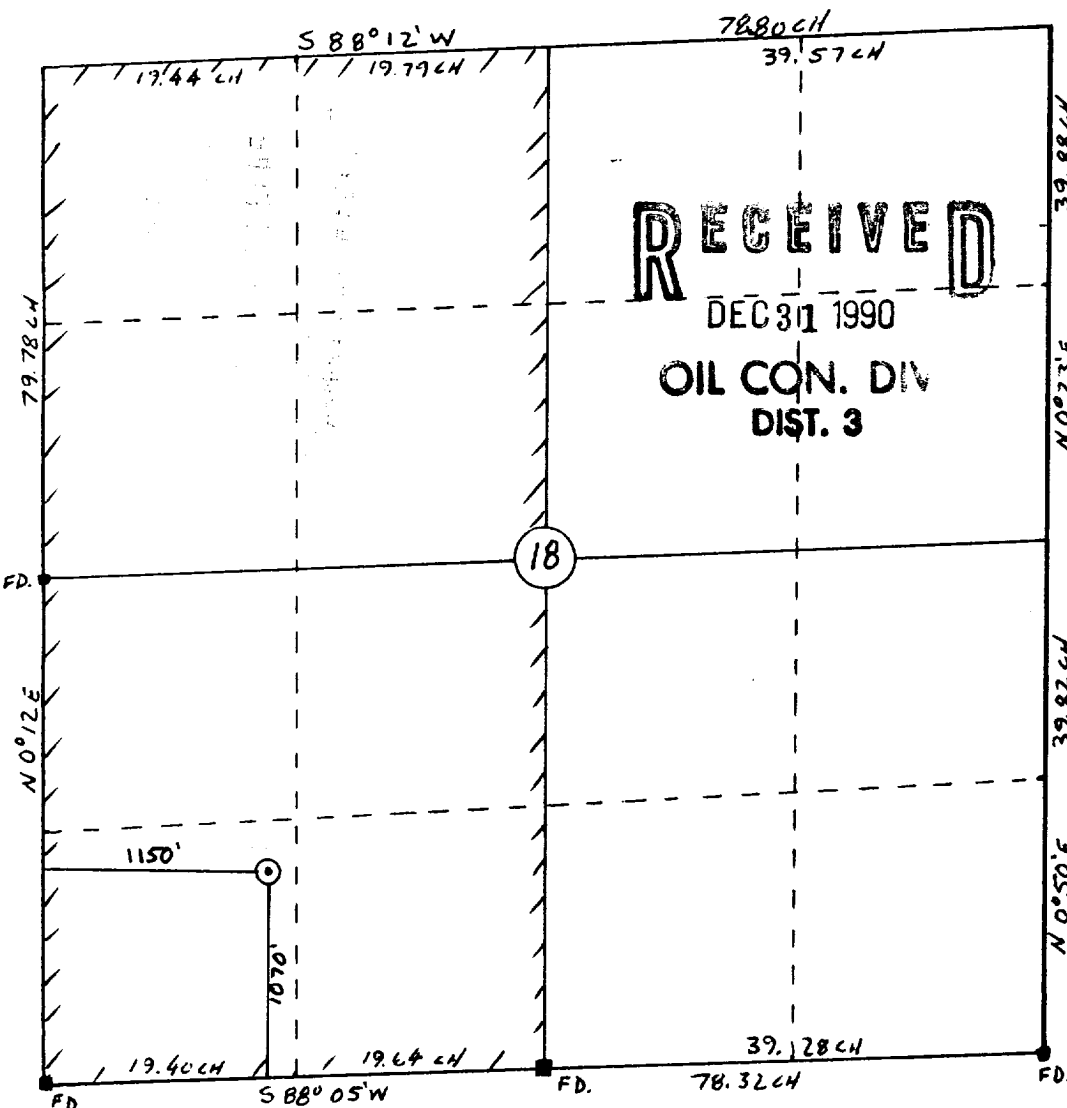
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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) Incorporated			Lease Gallegos Canyon Unit		Well No. 387
Unit Letter M	Section 18	Township 29N	Range 12W	County NMPM San Juan	
Actual Footage Location of Well: 1070 feet from the South line and 1150 feet from the west line					
Ground level Elev. 5523'	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal		Dedicated Acreage: W/ 316.44 320 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.?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____</p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____</p> <p>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 <i>Chuck Williams</i>	Printed Name Chuck Williams
Position Field Services Administrator	
Company BHP Petroleum (Americas) Inc.	
Date 7/17/90	
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. 6-28-90	
Date Surveyed Roy A. Rush	
Signature & Seal of Professional Surveyor <i>Roy A. Rush</i> ROY A. RUSH NEW MEXICO 8894	
Certificate No. 8894	

