

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

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

WELL API NO.	30-045-29034
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	*
7. Lease Name or Unit Agreement Name	GALLEGOS CANYON UNIT
8. Well No.	GCU #535
9. Pool name or Wildcat	W. KUTZ PICTURED CLIFFS
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	5377' GR

**SUNDRY NOTICES AND REPORTS ON WELLS**  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:  
OIL WELL ☐ GAS WELL ☐ OTHER ☐

2. Name of Operator  
BHP PETROLEUM (AMERICAS) INC.

3. Address of Operator  
P.O. BOX 977 FARMINGTON, NEW MEXICO 87499

4. Well Location  
Unit Letter N : 1032 Feet From The SOUTH Line and 1843 Feet From The WEST Line  
Section 13 Township 29N Range 13W NMPM SAN JUAN County

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: * WELL HISTORY <input type="checkbox"/>

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

MIRU SPUD WELL @ 6:30 pm ON 3-11-94. DRILL 8 3/4" HOLE TO 152' KB. RAN 3 JTS 7" 20# K-55 ST&C CSG. AND LANDED AT 149' KB. CMT W/ 150 SKS (177.0 cu ft) CLASS "B" W/3% CaCL, 1/4# PER SK CELLO SEAL. OBTAINED FULL RETURNS W/ 7 BBL GOOD CMT. CIRC. TO SURFACE. PLUG DOWN @ 2:00am ON 03-12-94. PLUG DISPLACED TO 75'. WOC 12 HRS. NU TEST PIPE & BLIND RAMS TO 1500 PSI & HYDRILL 500 PSI, OK. TIH TAG CMT. @ 70'. DRILL OUT SAME. DRILL 6 1/4" HOLE TO 1460' KB W/ 3 SURVEYS COND. HOLE FOR LOGS, RAN DIL, SFL, GR, CNL, FDL LOGS. LOGGER TD 1462'. TIH & TOH LD DP. RU AND RAN 33 JTS 4 1/2" 10.5# K-55 8R ST&C CSG. & LANDED AT 1456' KB. RU AND CEMENT WITH 175 SKS (220.5 cu ft) 50-50 POZ W/ 2% GEL, 10% SALT, 1/4# PER SK CELLO SEAL AND TAIL W/ 25 SKS (29.5 cu ft) CLASS "B" W/ 1% CF14 LOW FLUID LOSS. OBTAINED FULL RETURNS WITH 05 BBL GOOD CEMENT CIRCULATED TO SURFACE. BUMP PLUG AND FLOAT HELD. PLUG DOWN @ 4:45pm ON 3-13-94. ND BOPE & CLEAN PITS. RELEASED RIG AT 8:45pm ON 3-13-94.

NOTE: WELL IS IN THE FARMINGTON CITY LIMITS, SEE ATTACHED COPY OF THE PERMIT AND LICENSE GRANTED TO BHP.

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 03-14-94  
TYPE OR PRINT NAME FRED LOWERY (505) 327-1639 TELEPHONE NO.

(This space for State Use)

APPROVED BY Original Signed by CHARLES GRULSON DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE MAR 15 1994  
CONDITIONS OF APPROVAL, IF ANY:

PERMIT AND LICENSE

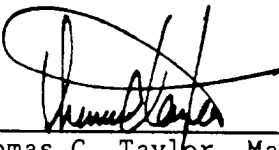
Date: March 11, 1994

That subject to the provisions and conditions contained in Chapter 22 of the Farmington City Code and subject to compliance with the conditions of the Special Use Permit granted by the City Council on February 22, 1994, BHP Petroleum (Americas), Inc. is hereby granted a permit and license to drill a well (Gallegos Canyon Unit Well No. 535) in search of oil and/or gas to the Pictured Cliff formation on the following location:

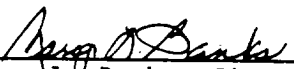
1032 feet from the south line and 1843 feet from the west line (SE1/4 SW1/4) of Section 13, Township 29 North, Range 13 West, San Juan County, New Mexico Principal Meridian, to an approximate depth of 1,444 feet.

This permit shall be valid for a period of one year and so long thereafter as oil or gas shall be produced or until such time as the permittee has abandoned operations. Providing, however, no operations shall be commenced until the permittee shall have complied with Chapter 22 of the Farmington City Code.

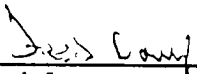
CITY OF FARMINGTON

By   
Thomas C. Taylor, Mayor

ATTEST:

  
Mary L. Banks, City Clerk

BHP PETROLEUM (AMERICAS), INC.

By   
Fred Lowery