

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
Revised March 17, 1999

Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| | | |
|---|---|---|
| ¹ Operator Name and Address Amoco Production Company P. O. Box 3092 Houston, Texas 77253 | | ² GRID Number 000778 ⁴ API Number 30-045-30241 |
| ³ Property Code 000570 | ⁵ Property Name Gallegos Canyon Unit | ⁶ Well No. 560 |

| ⁷ Surface Location | | | | | | | | | |
|-------------------------------|-----------|------------|------------|---------|---------------|------------------|---------------|----------------|-----------------|
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| J | 20 | 29N | 12W | | 2340 | South | 2240 | East | San Juan |

| ⁸ Proposed Bottom Hole Location If Different From Surface | | | | | | | | | |
|--|---------|----------|-------|---------|-------------------------------|------------------|---------------|----------------|--------|
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| | | | | | | | | | |
| ⁹ Proposed Pool 1 Basin Fruitland Coal | | | | | ¹⁰ Proposed Pool 2 | | | | |

| | | | | |
|--|--|---|---|--|
| ¹¹ Work Type Code N - New Drill | ¹² Well Type Code Gas | ¹³ Cable/Rotary Rotary/Top Drive | ¹⁴ Lease Type Code Fee | ¹⁵ Ground Level Elevation 5537' |
| ¹⁶ Multiple No | ¹⁷ Proposed Depth 1623' | ¹⁸ Formation Fruitland Coal | ¹⁹ Contractor Aztec | ²⁰ Spud Date 7/1/2000 |

| ²¹ Proposed Casing and Cement Program | | | | | |
|--|-------------|--------------------|---------------|-----------------|---------------|
| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
| (1) 8 3/4" | 7" | 23# | 135' | 115 SXS CLS B | Surface |
| (2) 6 1/4" | 4 1/2" | 10.5# | 1623' | 175 SXS CLS B | Surface |
| | | | | | |
| | | | | | |
| | | | | | |

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

OBJECTIVE: Drill 150' into the Pictured Cliffs, set 4 1/2" Casing to TD, Stimulate the Fruitland Coal interval.

Run Cased Hole (GR-CCL-TDT) logs: TDT from PBD. GR- CCL from PDTB to Surface.

(1) Circulate Cement to Surface

(1) Set Casing 150' below top of Pictured Cliffs.

Mud Program: 0' - 135' Type - Spud Weight 8.6 - 9.2

135' - TD' Type - Water Weight 8.6 - 9.2

The hole will require sweeps to keep unloaded while fresh water drilling. Let hole conditions dictate frequency

Completion: Rigless, Single Stage Hydraulic Frac.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed name: **Mary Corley**

Title: **Sr. Business Analyst**

Date: **05/11/2000**

Phone: **281-366-4491**

OIL CONSERVATION DIVISION

Approved by:

Title: **DEPUTY OIL & GAS INSPECTOR, DIST. #3**

Approval Date: **MAY 16 2000**

Expiration Date: **MAY 16 2001**

Conditions of Approval:

Attached

HOLD C104 FOR NSL

CTP

District I
PO Box 1980, Hobbs NM 88241-1980
District II
PO Drawer KK, Artesia, NM 87211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994

Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|---|--|--|--|--|-----------------------------------|
| ¹ API Number 30-045-30241 | | ² Pool Code 71629 | | ³ Pool Name Basin Fruitland Coal | |
| ⁴ Property Code 000570 | | ⁵ Property Name Gallegos Canyon Unit | | | ⁶ Well Number # 560 |
| ⁷ OGRID No. 000778 | | ⁸ Operator Name AMOCO PRODUCTION COMPANY | | | ⁹ Elevation 5537 ✓ |

¹⁰ Surface Location

| UL or Lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| J (Lot 9) | 20 | 29 N | 12 W | | 2340 | SOUTH | 2240 | EAST | SAN JUAN |

¹¹ Bottom Hole Location If Different From Surface

| ⁷ UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---|---------|-------------------------------|-------|----------------------------------|---------------|-------------------------|---------------|----------------|--------|
| | | | | | | | | | |
| ¹² Dedicated Acres 318.735/2 320/2 | | ¹³ Joint or Infill | | ¹⁴ Consolidation Code | | ¹⁵ Order No. | | | |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

| | | | | | | | |
|---------------|--|--|--|---|--|--|--|
| ¹⁶ | | | | ¹⁷ OPERATOR CERTIFICATION | | | |
| | | | | I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. | | | |
| | | | | Signature <u>Mary Corley</u> | | | |
| | | | | Printed Name <u>MARY CORLEY</u> | | | |
| | | | | Title <u>Sr. Business Analyst</u> | | | |
| | | | | Date <u>5.11.2000</u> | | | |
| | | | | ¹⁸ 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 belief. | | | |
| | | | | Date of Survey <u>April 4, 2000</u> | | | |
| | | | | Signature and Seal of Professional Surveyor | | | |
| | | | | | | | |
| | | | | 7016 Certificate Number | | | |

**Amoco Production Company
BOP Pressure Testing Requirements**

Well Name: Gallegos Canyon Unit 560

County: San Juan

State: New Mexico

| Formation | TVD | Anticipated Bottom Hole Pressure | Maximum Anticipated Surface Pressure ** |
|-----------------|---------|-------------------------------------|--|
| Ojo Alamo | Surface | | |
| Kirtland | 250' | | |
| Fruitland Coal | 1123' | | |
| Pictured Cliffs | 1473' | | |

**** Note:** Determined using the following formula: $ABHP - (.22 * TVD) = ASP$

| |
|---|
| Requested BOP Pressure Test Exception: 750 PSI |
|---|

**SAN JUAN BASIN
Fruitland Coal Formation
Pressure Control Equipment**

Background

The objective Fruitland Coal formation maximum surface pressure is anticipated to be less than 1000 PSI, based on shut-in surface pressures from adjacent wells. Pressure control equipment working pressure minimum requirements are therefore 2000 PSI. Equipment to be used will conform to API RP-53 (Figure 2.C.2) for a 2000 PSI system per Federal Onshore Order No. 2. Due to available conventional equipment within the area, 3000 PSI rated pressure control equipment will typically be utilized in a double ram type arrangement. Regional drilling rights to be utilized have substructure height limitations which exclude the use of annular preventers; therefore a rotating head will be installed above these rams. This pressure control equipment will be utilized for conventional drilling below conductor to total depth. No abnormal temperature, pressure, or Hydrogen Sulfide gas is anticipated.

Equipment Specification

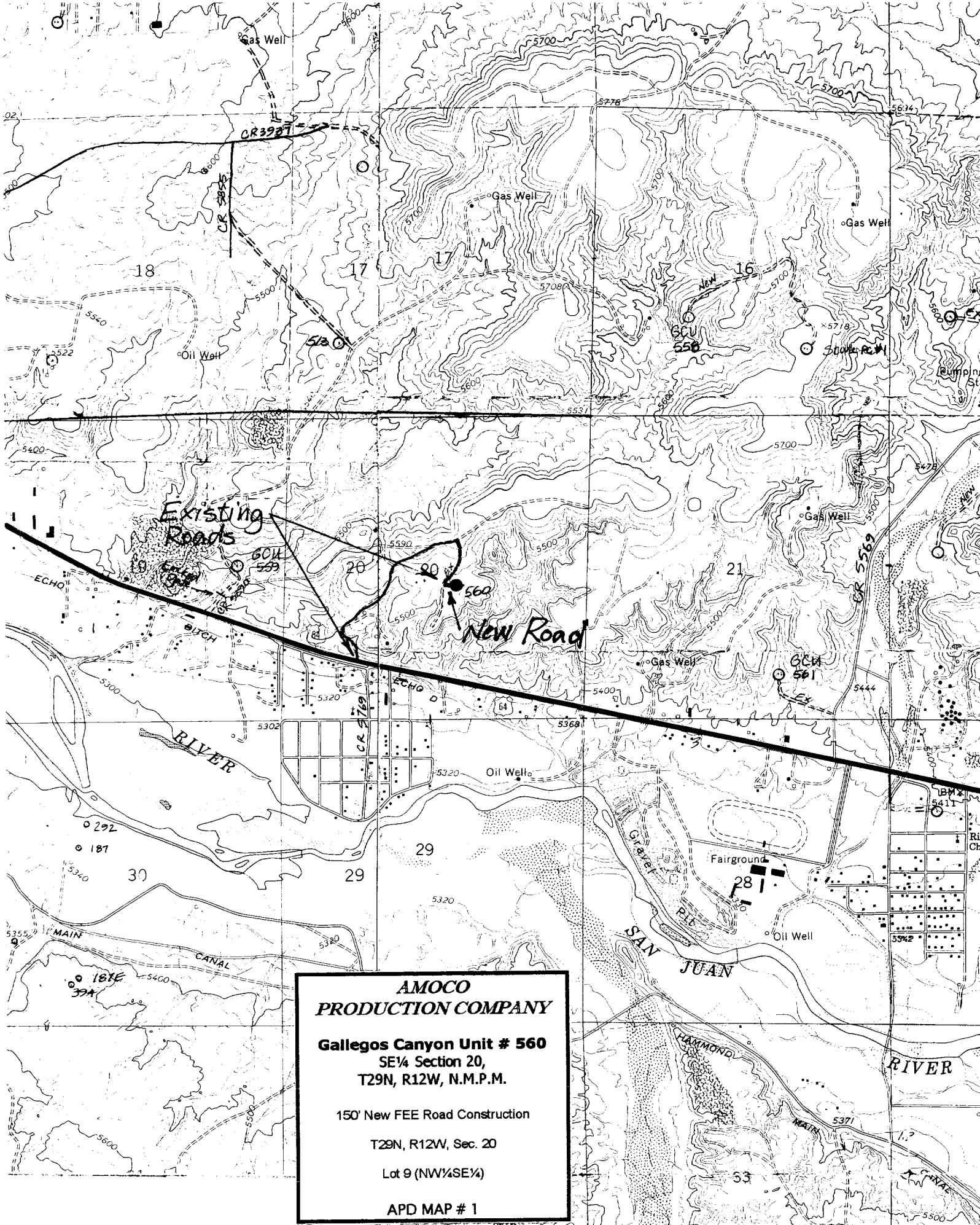
Interval

BOP Equipment

Below conductor casing to total depth

**11" nominal or 7 1/16", 3000 PSI double ram
preventer with rotating head.**

All ram type preventers and related control equipment will be hydraulically tested to 250 PSI (low pressure) and 750 PSI (high pressure), upon installation, following any repairs or equipment replacements, or at 30 day intervals. Accessories to BOP equipment will include Kelly cock, upper Kelly cock with a handle available, floor safety valves and choke manifold which will also be tested to equivalent pressure at the appropriate intervals.



**AMOCO
PRODUCTION COMPANY**

Gallegos Canyon Unit # 560
SE¼ Section 20,
T29N, R12W, N.M.P.M.

150' New FEE Road Construction
T29N, R12W, Sec. 20
Lot 9 (NW¼SE¼)

APD MAP # 1