



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

GARREY CARRUTHERS
GOVERNOR

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September 25, 1990

BHP Petroleum (Americas), Inc.
5847 San Felipe
Suite 3600
Houston, TX 77057

Attention: Chuck Williams

RE: Administrative Application for an unorthodox gas well location, Gallegos Canyon Unit Well No. 501, 1655' FSL - 2315' FEL (Unit J) 13-T29N-R13W, Undesignated West Kutz Pictured Cliffs Pool, San Juan County, New Mexico.

Dear Mr. Williams:

Upon reviewing the subject application, there appears to be adequate level ground to place a well at a standard location in the NE/4 SE/4 of this section (see copy of topographical map attached). Also, I was uncertain where the gravel mining operation is located in the quarter section. Could you please address the reasons why a location could not be built up on top of the bluff in the NE/4 of this proration unit and mark the location and extent of the gravel pit on the plat provided.

Thank you for your assistance in this matter.

Sincerely,

Michael E. Stogner
Petroleum Engineer

MES/ag

cc: Oil Conservation Division - Aztec

