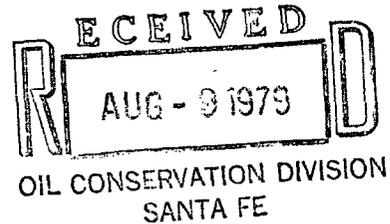


NSL-1063  
Rule 104 F  
8-29-79

Energy Reserves Group, Inc.  
P.O. Box 3280  
Casper, Wyoming 82601  
Phone 307 265 7331



August 3, 1979



State of New Mexico  
Energy & Minerals Division  
Oil Conservation Division  
P.O. Box 2088  
Santa Fe, New Mexico 87501

Re: Unorthodox Location - Gallegos Canyon Unit,  
Well No. 283

Gentlemen:

Energy Reserves Group, Inc. requests approval of an unorthodox location on its well Gallegos Canyon Unit #283.

The site as proposed is located 990' FNL & 2500' FEL of Section 29, T29N-R12W. The purpose of this request is for topographical reasons. (Please see attached topo map).  
*West Kutz Pictured Cliffs Pool*

Amoco Production Company is the Gallegos Canyon Unit Operator with Energy Reserves Group, Inc. being a sub-operator of the Pictured Cliffs Formation. See attached plat of Pictured Cliffs Participating Area and plat of Gallegos Canyon Unit Area.

Amoco Production has been notified by certified mail this date.

If any additional information is required please advise.

Very truly yours,

ENERGY RESERVES GROUP, INC.

William J. Fiant  
Field Services Administrator

Attachments

WJF/cc

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SANTA FE		
FILE		
U.S.G.S.		
LAND OFFICE		
OPERATOR		

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101  
Revised 1-1-65

5A. Indicate Type of Lease  
STATE  FEE

5. State Oil & Gas Lease No.

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  
Energy Reserves Group, Inc.

3. Address of Operator  
Box 3280 Casper, Wyoming 82602

4. Location of Well  
 UNIT LETTER B LOCATED 990 FEET FROM THE North LINE  
 AND 2500 FEET FROM THE East LINE OF SEC. 29 TWP. 29N RGE. 12W NMPM

7. Unit Agreement Name  
Gallegos Canyon Unit

8. Farm or Lease Name  
Gallegos Canyon Unit

9. Well No.  
283

10. Field and Pool, or Wildcat  
West Kutz Pict. Cliffs

12. County  
San Juan

19. Proposed Depth  
1450'

19A. Formation  
Pictured Cliffs

20. Rotary or C.T.  
Rotary

21. Elevations (Show whether DT, KT, etc.)  
5317' (Gr)

21A. Kind & Status Plug. Bond  
Blanket 3881464

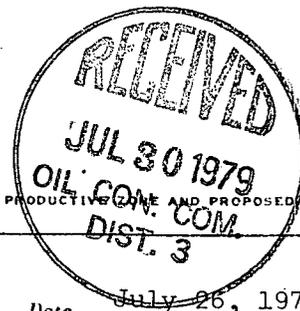
21B. Drilling Contractor  
Bayless Drilling Company

22. Approx. Date Work will start  
August, 1979

23. PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4"	8 5/8"	17#	120'-200'	cmt. to surf.	surface
6 3/4"	4 1/2"	9.5#	1450'	100sx. or cmt.	to surface

Energy Reserves Group, Inc. proposes to drill the above referenced well with rotary tools from surface to T.D. The anticipated zone of completion is the Pictured Cliffs Formation @ 1240'-1450'. No cores are planned. One DST of the Fruitland may be run depending on operator's permission. (Amoco is Operator) Copies of all logs run will be furnished upon completion of the well. It is planned to drill 12 1/4" hole to 120'-200' maximum. Set 8 5/8" casing to that depth. Drill 6 3/4" hole to T.D., set 4 1/2" casing. Cement to surface if the Ojo Alamo Formation has not been cemented off by the surface casing. BOP will consist of an 8", series 900, 3000# dual ram preventor.



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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed William J. Cho Title Field Services Administrator Date July 26, 1979

(This space for State Use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

**NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102  
Supersedes C-128  
Effective 1-1-65.

All distances must be from the outer boundaries of the Section.

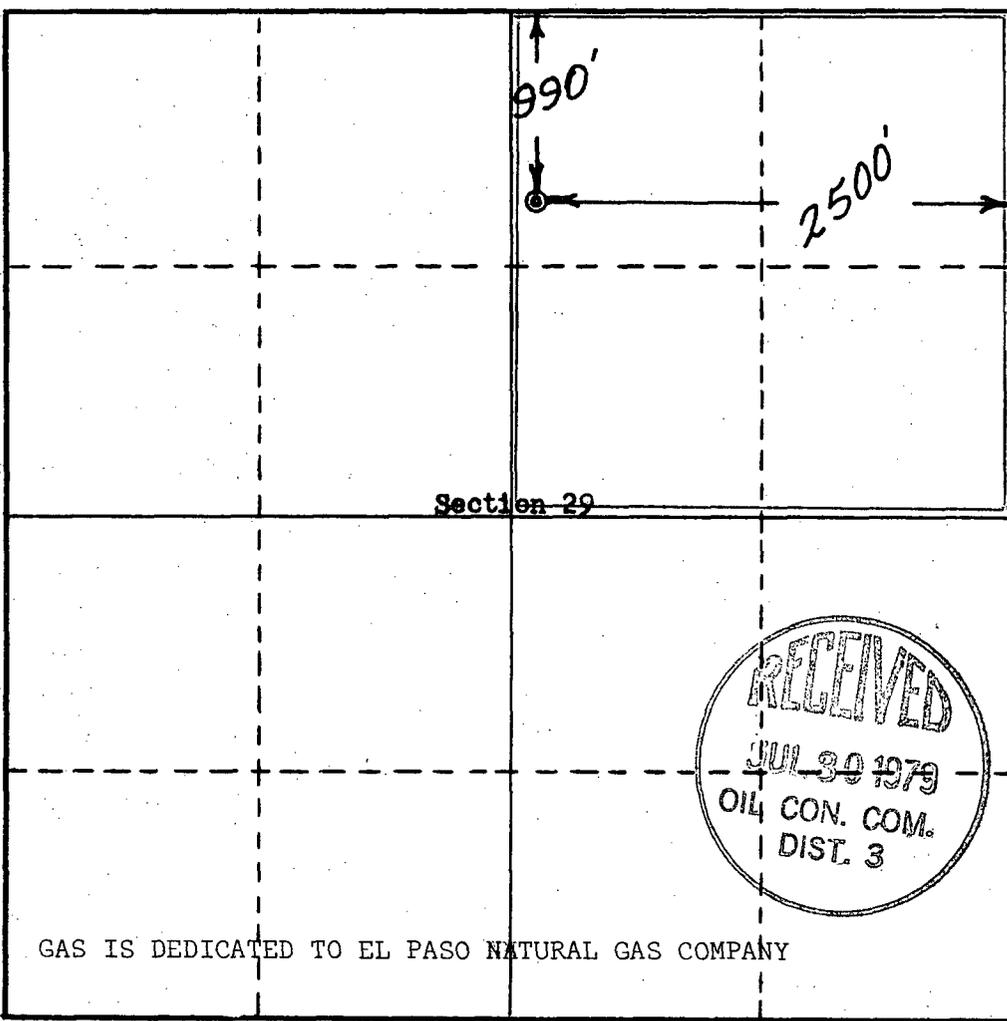
Operator <b>Energy Reserves Group, Inc.</b>		Lease Gallegos Canyon Unit			Well No. <b>283</b>
Unit Letter <b>B</b>	Section <b>29</b>	Township <b>29 North</b>	Range <b>12 West</b>	County <b>San Juan</b>	
Actual Footage Location of Well: <b>990</b> feet from the <b>North</b> line and <b>2500</b> feet from the <b>East</b> line					
Ground Level Elev: <b>5317</b>	Producing Formation <b>Pictured Cliffs</b>		Pool West Kutz Pictured Cliffs		Dedicated Acreage: <b>160</b> Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
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).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes     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 interests, has been approved by the Commission.



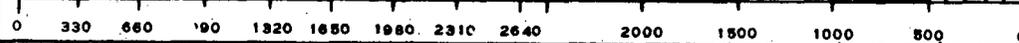
**CERTIFICATION**

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

Name <i>William J. [Signature]</i>
Position Field Services Administr.
Company Energy Reserves Group, Inc.
Date July 27, 1979

*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 July 23, 1979
Registered Professional Engineer and Land Surveyor <i>[Signature]</i> 3084
Certificate No. STATE OF NEW MEXICO



4070000m N

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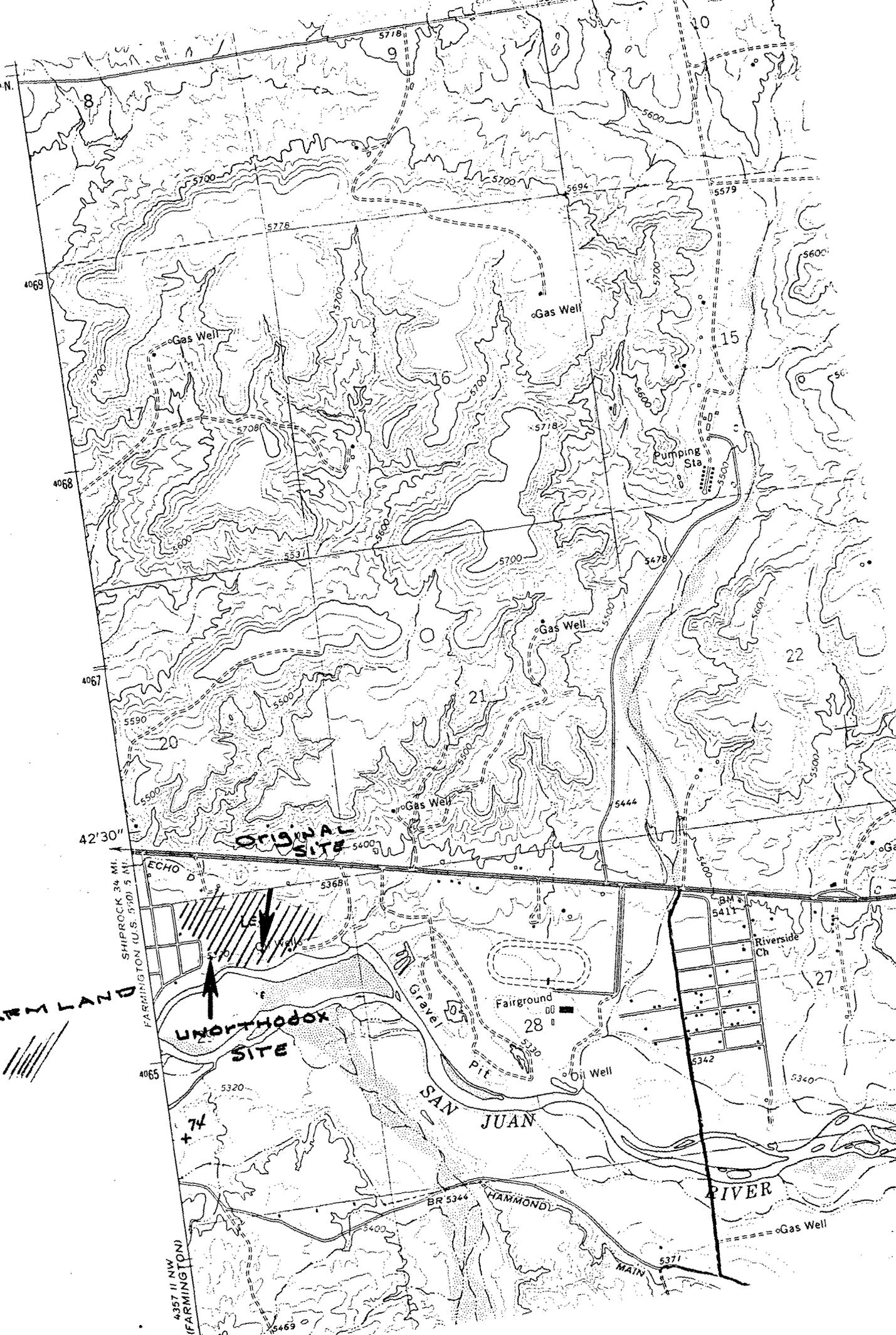
4067

42'30"

SHIPROCK 34 Mi.  
FARMINGTON (U.S. 550) 5 Mi.

**FARM LAND**

4357 II NW  
(FARMINGTON)



ECHO D

**UNORTHODOX SITE**

**ORIGINAL SITE**

Gravel Pit

Fairground

Oil Well

Gas Well

Pumping Sta

SAN JUAN RIVER

HAMMOND MAIN

RIVERSIDE CH

Gas Well

74

28

27

22

21

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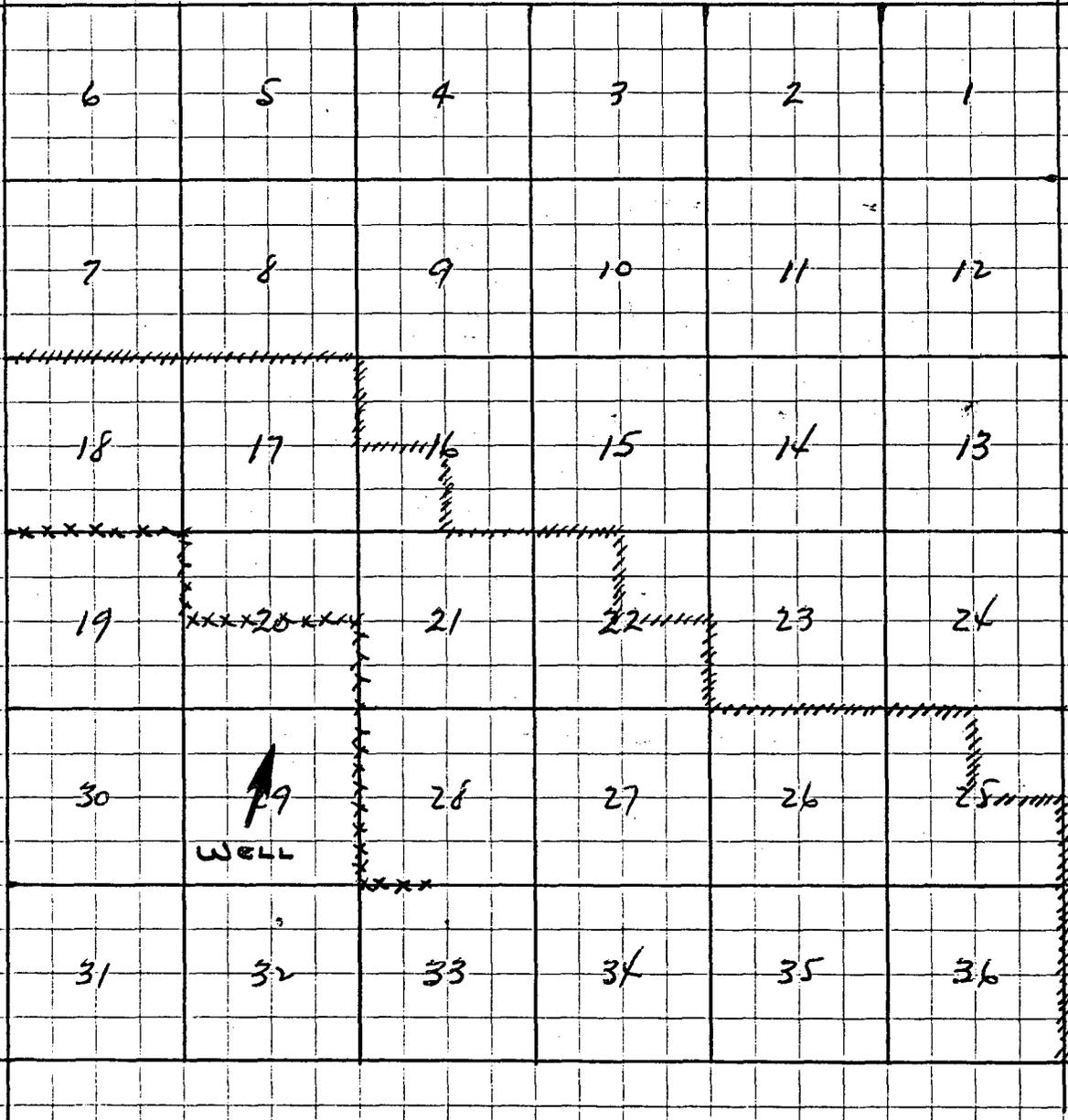
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//// - GALLEGOS CANYON UNIT  
AMOCO - OPERATOR

xxxx - PICTURED CLIFFS PARTICIPATING AREA  
ENERGY RESERVES GROUP - OPERATOR

Western Division

Energy Reserves Group, Inc.  
P.O. Box 3280  
Casper, Wyoming 82601  
Phone 307 265 7331

No objection  
JK  
JDD  
8-10-79

RECEIVED PRODUCING DEPT DENVER WESTERN DIVISION	
AUG 9 '79	
DPM	JK
DOS	JK
DCS	
FILE	

 Energy Reserves Group

*JK*

August 3, 1979

Amoco Production Company  
Security Life Building  
Denver, Colorado 80202  
Attn: T.M. Curtis

Amoco Production Company  
501 Airport Road  
Farmington, New Mexico 87401  
Attn: L.O. Speer

Re: Offset Operations Notification - Unorthodox Well Location

Gentlemen:

Energy Reserves Group, Inc. as sub - operator of the Gallegos Canyon Unit, Pictured Cliffs Participating Area proposes to drill an unorthodox location for well Gallegos Canyon Unit #283.

The proposed well site is located 990' FNL & 2500' FEL of Section 29, T29N-R12W. The purpose of requesting an unorthodox location is because of topographical reasons. Planned Industrial Development, farming, and the San Juan River are the three amjor problems concerning the placement of this well.

If you have no objection to the drilling of this well, we would appreciate you signing in the below listed space and forwarding this letter to the New Mexico Oil Conservation Division in Santa Fe.

If there are any questions, please call anytime.

Very truly yours,

ENERGY RESERVES GROUP, INC.

*William J. Fiant*

William J. Fiant  
Field Services Administrator

RECEIVED  
AUG 13 1979  
OIL CONSERVATION DIVISION  
SANTA FE

Amoco Production Company has no objection to the proposed unorthodox location as planned by Energy Reserves Group, Inc.

Signed:

*RB Giles 8/13/79*

Energy Reserves Group, Inc.  
P.O. Box 3280  
Casper, Wyoming 82601  
Phone 307 265 7331



August 3, 1979

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