

June 14, 1995

OIL CONSERVATION DIVISION
RECEIVED

GIANT
EXPLORATION &
PRODUCTION COMPANY

P.O. Box 2810
Farmington, New Mexico
87499

State of New Mexico
Oil Conservation Division
Mr. William J. LeMay, Division Director
P.O. Box 2088
Santa Fe, NM 87501

195 JUN 15 AM 8 52

505
326-3325

Subject: Request for Exception to the Standard Location
Northeast Hogback Unit Well No. 52
Northeast Hogback Unit Well No. 53
Northeast Hogback Unit Well No. 55
Northeast Hogback Unit Well No. 56
Northeast Hogback Unit Well No. 57

Dear Mr. LeMay,

Giant Exploration & Production Company requests administrative approval for an exception to the standard location for the subject wells. As shown on the attached map, we desire to drill the Northeast Hogback Unit Well No. 52 at 2180' FSL, 1040' FEL, Section 10, T30N, R16W, the Northeast Hogback Unit Well No. 53 at 1350' FSL, 1120' FEL, Section 10, T30N, R16W, the Northeast Hogback Unit Well No. 55 at 300' FNL, 1050' FWL, Section 14, T30N, R16W, the Northeast Hogback Unit Well No. 56 at 1570' FSL, 2090' FWL, Section 11, T30N, R16W, and the Northeast Hogback Unit Well No. 57 at 1300' FNL, 375' FEL, Section 10, T30N, R16W, San Juan County, New Mexico. The Northeast Hogback Unit wells will be drilled to test the Gallup sandstone in the Horseshoe Gallup Oil pool.

The wells have been moved outside the standard boundary for geologic reasons. The wells have been placed in a position to avoid alignment with water injection wells through fracture trends and to avoid previous drainage from existing producing wells. The locations will also aid in the testing of an effective injection pattern for secondary recovery in the unit.

The wells are located within the boundaries of the Northeast Hogback Unit, in which Giant owns a 100% working interest. Giant owns all of the offset acreage to the subject well. All leases in the unit are federal, as shown on the attached lease plat, and carry the same royalty rate. Attached is a letter from Duane Spencer of the Farmington BLM, stating that the BLM has no objection to the unorthodox locations.

The proposed locations are best suited to maximize recovery of oil and protect correlative rights.

We would appreciate your considering this request at your earliest convenience. If you have any questions, please contact me at (505) 326-3325.

Sincerely,

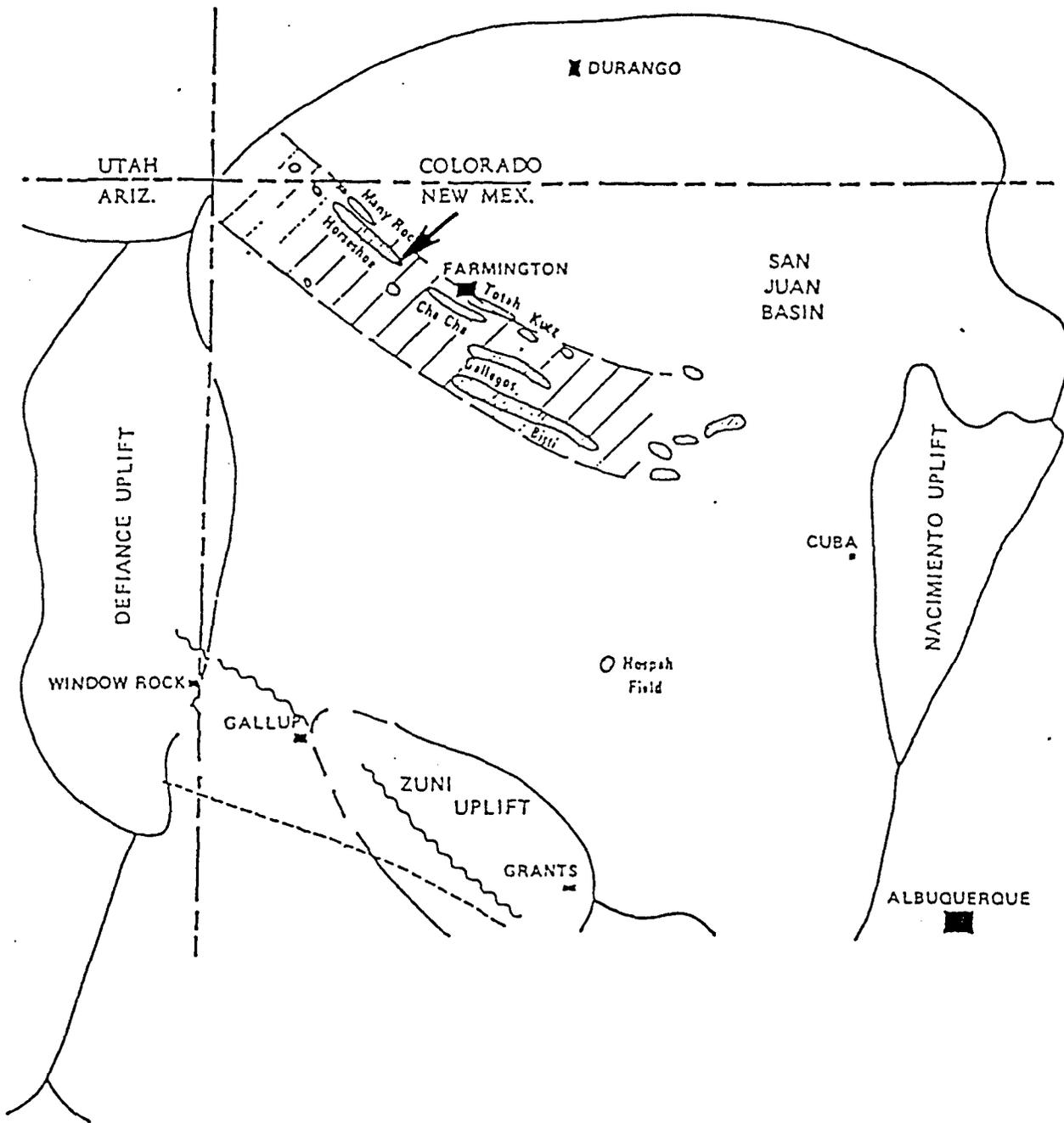


Gregory E. McIntosh P.E.
Area Engineer

GEM/mac

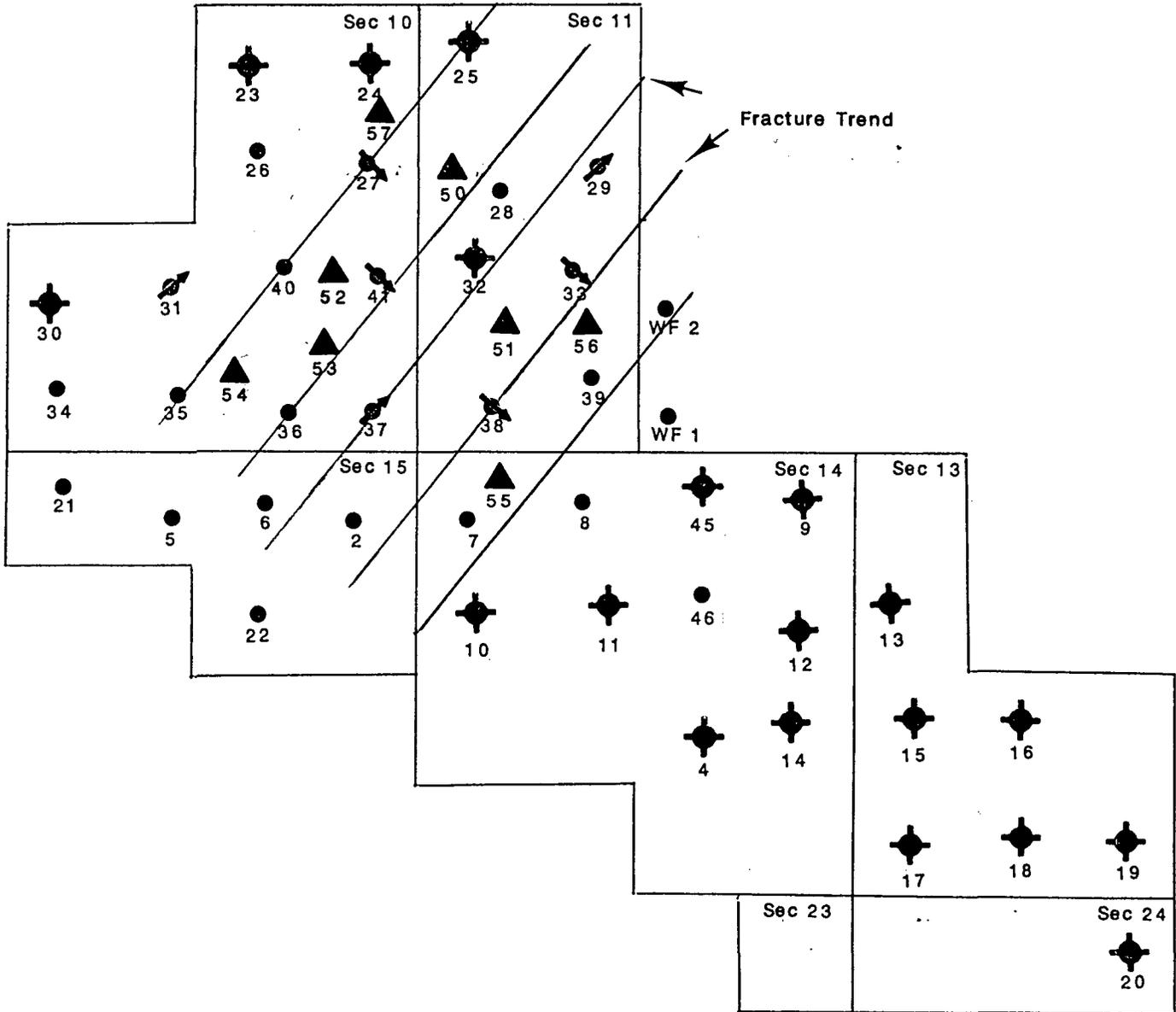
Enclosures

cc: NMOCD, Aztec



North East Hogback Unit San Juan County, New Mexico

R16W



T30N

● Usable Wellbore

▲ Proposed Well

⊕ Plugged & Abandoned

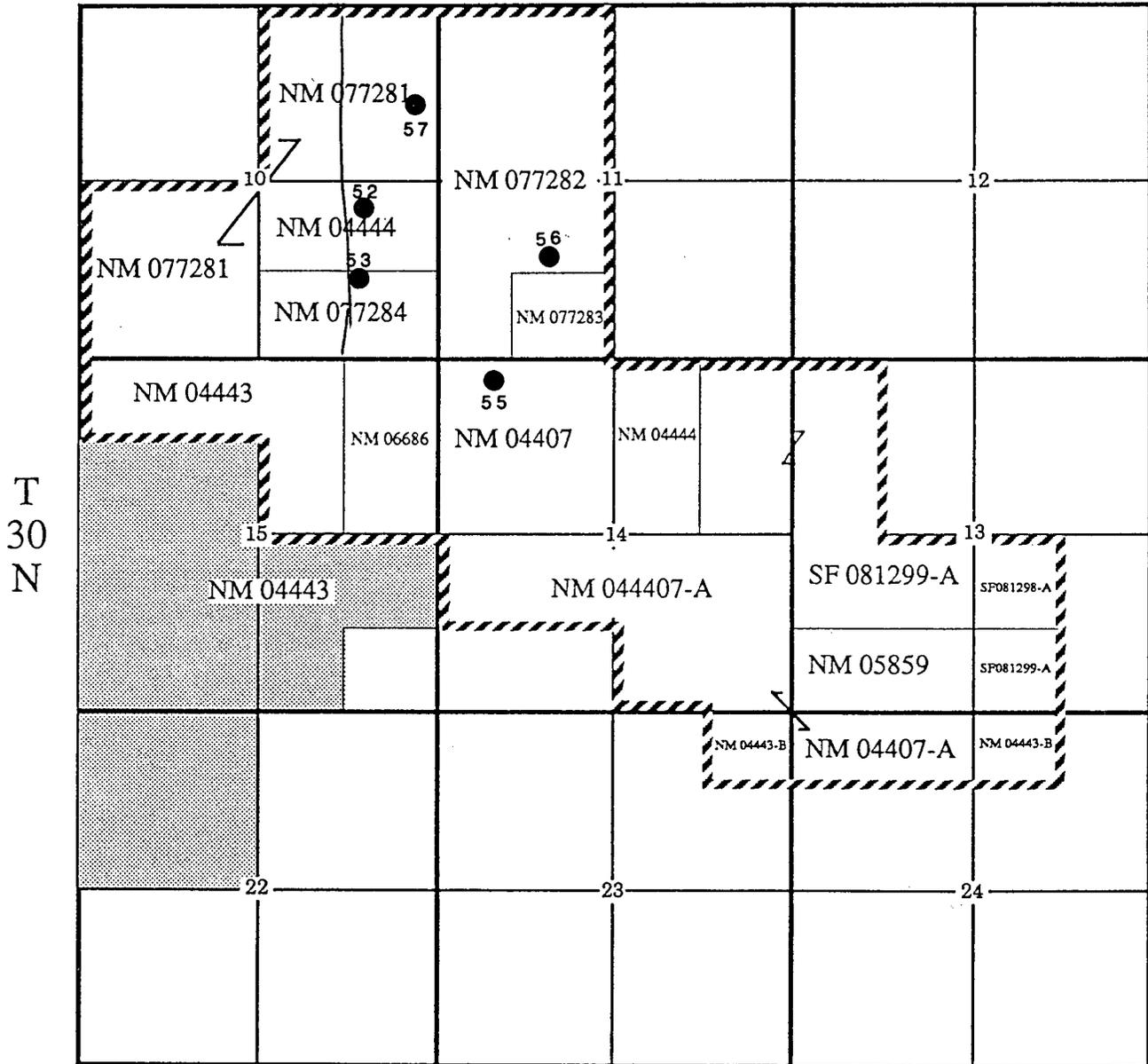
↗ Proposed Injection Well

↗ Injection Well

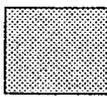
Northeast Hogback Unit and associated lands

San Juan County, New Mexico

R16W



T
30
N

 Leasehold outside unit held by production by the NE Hogback Unit.

 The NE Hogback Unit Outline.

 Proposed wells



EXPLORATION & PRODUCTION COMPANY



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office
1235 La Plata Highway
Farmington, New Mexico 87401

June 12, 1995

IN REPLY REFER TO:

Northeast Hogback Unit (GC)
(07327)

Mr. Greg McIntosh
Giant Exploration & Production Co.
P.O. Box 2810
Farmington, NM 87499-2810

Re: Exception Well Location
No. 52 Northeast Hogback Unit
No. 53 Northeast Hogback Unit
No. 55 Northeast Hogback Unit
No. 56 Northeast Hogback Unit
No. 57 Northeast Hogback Unit

Dear Mr. McIntosh:

Your letter dated May 31, 1995, requested BLM approval of exception well locations for the above referenced wells. These wells are to be drilled in the Northeast Hogback Unit. The Northeast Hogback Unit provides for allocation of Gallup Formation production to all the leases committed to the unit.

The proposed exception locations will be located on lands committed to the unit. In addition, all adjoining spacing units are committed to the unit. Based upon the commitment of the lands involved and the fact that all production will be allocated to the committed lands, we have no objection to this proposal. We will notify NMOCD of this decision.

If you have any questions concerning this matter, please call me at 599-6350.

Sincerely,

Duane W. Spencer
Chief, Branch of Reservoir Mgmt.

cc:
NMOCD, Santa Fe

Mike Stogner

From: Ernie Busch
To: Mike Stogner
Subject: GIANT (NSL)
Date: Monday, June 26, 1995 7:55AM
Priority: High

NE HOGBACK UNIT WELLS
VARIOUS
RECOMMEND: HEARING

Sec : 11 Twp : 30N Rng : 16W Section Type : NORMAL

D 40.00 Federal owned	C 40.00 Federal owned	B 40.00 Federal owned	A 40.00 Federal owned
E 40.00 Federal owned	F 40.00 Federal owned	G 40.00 Federal owned	H 40.00 Federal owned
A	A		

PF01 HELP
PF07 BKWD

PF02
PF08 FWD

PF03 EXIT
PF09 PRINT

PF04 GoTo
PF10 SDIV

PF05
PF11

PF06
PF12

Sec : 11 Twp : 30N Rng : 16W Section Type : NORMAL

L 40.00 Federal owned	K 40.00 Federal owned A	J 40.00 Federal owned A	I 40.00 Federal owned
M 40.00 Federal owned A	N 40.00 Federal owned A	O 40.00 Federal owned A	P 40.00 Federal owned

PF01 HELP
PF07 BKWD

PF02
PF08 FWD

PF03 EXIT
PF09 PRINT

PF04 GoTo
PF10 SDIV

PF05
PF11

PF06
PF12

Sec : 10 Twp : 30N Rng : 16W Section Type : NORMAL

3 38.50 Federal owned	K 40.00 Federal owned A	J 40.00 Federal owned A A	I 40.00 Federal owned A 0
4 38.54 Federal owned A	N 40.00 Federal owned A	O 40.00 Federal owned A	P 40.00 Federal owned A

PF01 HELP
PF07 BKWD

PF02
PF08 FWD

PF03 EXIT
PF09 PRINT

PF04 GoTo
PF10 SDIV

PF05
PF11

PF06
PF12

Sec : 10 Twp : 30N Rng : 16W Section Type : NORMAL

1 38.42 Federal owned U A	C 40.00 Federal owned U A	B 40.00 Federal owned	A 40.00 Federal owned
2 38.46 Federal owned U	F 40.00 Federal owned U A	G 40.00 Federal owned A	H 40.00 Federal owned A

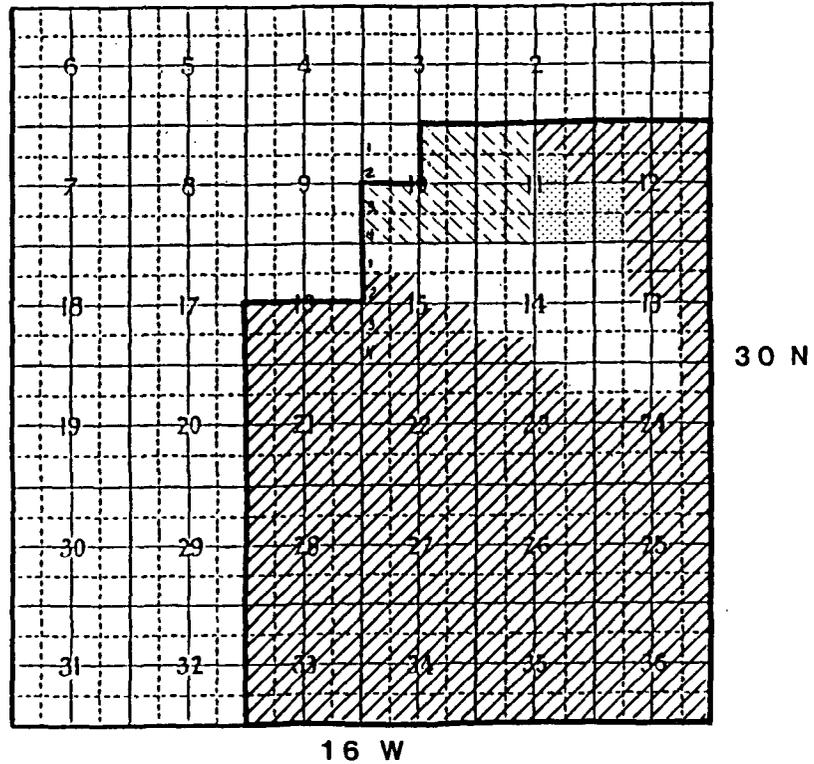
PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

NORTHEAST HOGBACK

SAN JUAN COUNTY
NEW MEXICO

No. 14-08-001-6674

EFFECTIVE 12-18-59



-  ENLARGEMENT
-  ELIMINATION I
-  ELIMINATION II



petroleum engineering and government regulation consultants



UNIT NAME: NORTHEAST HOGBACK UNIT AREA
 CONTRACT NUMBER: 14-08-001-6674
 APPROVAL DATE: 12-18-59
 EFFECTIVE DATE: 12-18-59
 ACREAGE TOTAL: 10571.86 (8869.60 FED.; 599.08 STATE;
 560.00 FEE; 543.18 INDIAN)
 TYPE: EXPLORATORY, WATERFLOOD GALLUP FROMATION ONLY
 UNITIZED FORMATION: ALL
 ENLARGEMENT DATE: 11-1-60: NEW ACREAGE: 11,368.90 (9666.64
 FED.; 599.08 STATE; 560.00 FEE;
 543.18 INDIAN)
 AUTOMATIC ELIMINATION DATE: 1-1-65: NEW ACREAGE: 2355.60
 (2355.60 FEDERAL)
 10-1-84: NEW ACREAGE: 2075.60
 (2075.60 FEDERAL)
 OPERATOR: CLINTON OIL COMPANY

PARTICIPATING AREAS

Name: GALLUP INITIAL
 Well Name: 18 WELLS
 Location:
 Effective Date: 12-18-59
 Legal Description: T.30N.,R.16W.:
 SW/4NE/4,SE/4 sec. 11; W/2SW/4 sec. 12;
 W/2NW/4,SW/4,W/2SE/4 sec. 13; SE/4,
 N/2SW/4,N/2 sec. 14; N/2NE/4,SE/4NE/4,
 NE/4NW/4 sec. 15; NE/4NE/4 sec. 23;
 N/2NW/4, NW/4NE/4 sec. 24.
 Acres Added: 1480.00 (SW/4NE/4,SE/4 11; W/2SW/4 12 NOT
 COMMITTED)
 Total Acres: 1480.00 (1200.00 COMMITTED)

Name: GALLUP 1ST REVISION
 Well Name: #3,4
 Location:
 Effective Date: 6-1-60
 Legal Description: NW/4NW/4,SW/4NE/4 sec. 15, T.30N.,R.16W.
 Acres added: 78.56
 Total Acres: 1558.56 (1278.56 COMMITTED)

Name: GALLUP 2ND REVISION
 Well Name: #19
 Location:
 Effective Date: 11-1-60
 Legal Description: NE/4,S/2 sec. 10; W/2 sec. 11,
 T.30N.,R.16W.
 Acres added: 797.04
 Total Acres: 2355.60 (2075.60 COMMITTED)
 (ENTIRE UNIT)

Sec : 14 Twp : 30N Rng : 16W Section Type : NORMAL

D 40.00 Federal owned A	C 40.00 Federal owned A	B 40.00 Federal owned	A 40.00 Federal owned
E 40.00 Federal owned	F 40.00 Federal owned	G 40.00 Federal owned A	H 40.00 Federal owned

PF01 HELP
PF07 BKWD

PF02
PF08 FWD

PF03 EXIT
PF09 PRINT

PF04 GoTo
PF10 SDIV

PF05
PF11

PF06
PF12

Sec : 14 Twp : 30N Rng : 16W Section Type : NORMAL

L 40.00 Federal owned	K 40.00 Federal owned	J 40.00 Federal owned	I 40.00 Federal owned
M 40.00 Federal owned	N 40.00 Federal owned	O 40.00 Federal owned	P 40.00 Federal owned

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12