



September 21, 1995

Americas Division  
**BHP Petroleum**

State of New Mexico  
Oil Conservation Division  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088  
Attn: **Michael Stogner**

Re: Non Standard Location , Administrative Approval Request  
Gallegos Canyon Unit #320  
NE/SW Section 31, T28N, R12W  
San Juan County, New Mexico

Gentlemen:

BHP Petroleum (Americas) Inc. respectfully requests that a non-standard location be approved to allow the GCU #320 to be recompleted in the Fruitland Coal formation. The well is located 1850' FSL and 820' FEL of Section 31, T-28-N, R-12-W in San Juan County, New Mexico.

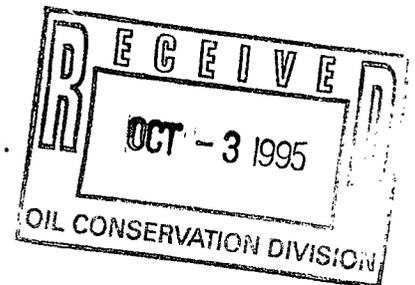
The non-standard location is being requested so that the present acreage that is dedicated to the GCU #7 can be rededicated to the GCU #320. The GCU #7 was recompleted in the Fruitland Coal in 1992 but was uneconomical to produce and is now temporarily abandoned.

No additional surface damage is expected.

BHP is the operator of all offsetting proration units.

If you have any questions, please contact me directly at (713) 961-8423.

Sincerely,  
*Carl Kolbe*  
Carl Kolbe  
Regulatory Affairs Representative



cc: Ernie Busch - OCD/Aztec, New Mexico

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals

5. Lease Designation and Serial No.

**IND-8470**

6. If Indian, Allottee or Tribe Name

**NAVAJO**

7. If Unit or CA, Agreement Designation

**GALLEGOS CANYON UNIT**

8. Well Name and No.

**NO. 320**

9. API Well No.

**30-045-24732**

10. Field and Pool, or Exploratory Area

**BASIN FRUITLAND COAL**

11. County or Parish, State

**SAN JUAN, NEW MEXICO**

**SUBMIT IN TRIPLICATE**

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

**BHP PETROLEUM (AMERICAS) INC.**

3. Address and Telephone No.

**P.O. BOX 977 FARMINGTON, NEW MEXICO (505) 327-1639**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

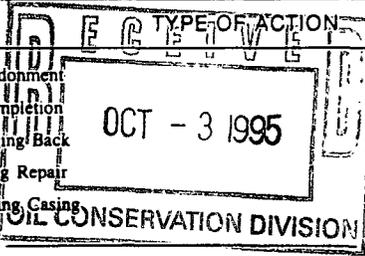
**1850' FSL AND 820' FEL  
NE/SW SEC.31, T28N, R12W**

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

Notice of Intent  
 Subsequent Report  
 Final Abandonment Notice

TYPE OF ACTION  
 Abandonment  
 Recompletion  
 Plugging Back  
 Casing Repair  
 Altering Casing  
 Other



Change of Plans  
 New Construction  
 Non-Routine Fracturing  
 Water Shut-Off  
 Conversion to Injection  
 Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

- 1.) Log well from casing shoe to surface to locate Fruitland Coal interval.
- 2.) Production test the Pictured Cliffs; if productive (25 MCF or more) set an RBP @ approximately 1,300'. If unproductive, set a CIBP @ same depth.
- 3.) Test casing and RBP or CIBP to 500 psi.
- 4.) Perforate the Fruitland Coal with 4 JSPP.
- 5.) Fracture stimulate w/a minimum of 40,000# of sand.

B.O.P.E. will consist of a 2000# preventor equipped w/pipe rams for the workstring, blind rams, and a non-rotating stripper head.

NON STANDARD SURFACE LOCATION APPROVAL IS BEING APPLIED FOR THROUGH THE NMOCD.

14. I hereby certify that the foregoing is true and correct

**FRED LOWERY**

Signed

Title

**MANAGER FIELD OPS.**

Date

**09-14-95**

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

District I  
 PO Box 1900, Hobbs, NM 88241-1900  
 District II  
 PO Drawer DD, Artesia, NM 88211-0719  
 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 10, 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

API Number 30-045-24732		Pool Code 71629	Pool Name Basin Fruitland Coal
Property Code 2038	Property Name Gallegos Canyon Unit		Well Number 320
OGRID No. 2217	Operator Name BHP Petroleum (Americas) Inc.		Elevation 5631'

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
I	30	28N	12W		1850	South	820	East	San Juan

11 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

12 Dunes	13 Acres	14 Joint or Infill	15 Consolidation Code	16 Order No.
320		N	U	

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	Section 30		17 OPERATOR CERTIFICATION
			<input checked="" type="checkbox"/> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  <i>Carl Kolbe</i> Signature Carl Kolbe Printed Name Regulatory Affairs Rep. Title 9/27/95 Date
			18 SURVEYOR CERTIFICATION
			<input checked="" type="checkbox"/> 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 Signature and Seal of Professional Surveyer:  Original on file  Certificate Number

## **Mike Stogner**

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**From:** Ernie Busch  
**To:** Mike Stogner  
**Subject:** BHP PET. (AMERICAS) INC. (NSL)  
**Date:** Friday, October 13, 1995 2:51PM  
**Priority:** High

GALLEGOS CANYON UNIT #320

1850' FSL; 820' FEL

I-30-28N-12W

RECOMMEND: RETURN APPLICATION TO OPERATOR, FILING UNNECESSARY, LOCATION IS STANDARD.

**Mike Stogner**

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**From:** Ernie Busch  
**To:** Mike Stogner  
**Subject:** FW: BHP PET. (AMERICAS) INC. (NSL)  
**Date:** Friday, October 13, 1995 3:02PM  
**Priority:** High

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From: Ernie Busch  
To: Mike Stogner  
Subject: BHP PET. (AMERICAS) INC. (NSL)  
Date: Friday, October 13, 1995 2:51PM  
Priority: High

GALLEGOS CANYON UNIT #320  
1850' FSL; 820' FEL  
I-30-28N-12W  
RECOMMEND: APPROVAL IF GCU #7 IS PLUGGED OR RECOMPLETED TO ANOTHER ZONE.

Sec : 30 Twp : 28N Rng : 12W Section Type : NORMAL

3 36.11  Indian owned U	K 40.00  Indian owned U	J 40.00  Indian owned U	I 40.00  Indian owned U A
4 36.04  Indian owned U A	N 40.00  Indian owned U	O 40.00  Indian owned U	P 40.00  Indian owned U A

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

Sec : 30 Twp : 28N Rng : 12W Section Type : NORMAL

1 36.26  Indian owned U	C 40.00  Indian owned U	B 40.00  Indian owned U	A 40.00  Indian owned U A A
2 36.19  Indian owned U A	F 40.00  Indian owned U A	G 40.00  Indian owned U	H 40.00  Indian owned U

PF01 HELP  
PF07 BKWD

PF02  
PF08 FWD

PF03 EXIT  
PF09 PRINT

PF04 GoTo  
PF10 SDIV

PF05  
PF11

PF06  
PF12