

Energy Reserves Group, Inc.  
P.O. Box 3280  
Casper, Wyoming 82602  
Phone 307 265 7331

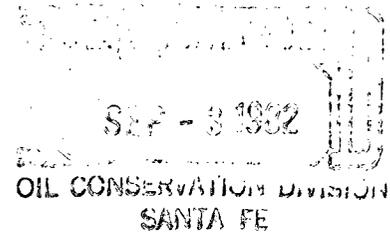


Energy Reserves Group

ASP 1357  
Rule 104 D II  
136.18 acres

May 4, 1982

State of New Mexico  
Oil Conservation Division  
Box 2088  
Santa Fe, New Mexico 87501



Re: Non Standard Unit - Gallegos Canyon Unit  
Well No. 334 (Pictured Cliffs)  
810' FSL 1790' FWL, Sec. 11, T28N-R12W  
San Juan County, New Mexico

Gentlemen:

*W/2 partial Section 11*

Energy Reserves Group, Inc. requests administrative approval for a non standard unit for the above referenced location.

This request is pursuant to Rule 104, Paragraph D, II Non Standard Units.

Sec. 11 is not a complete section (see attached plat and topo map).

- (A) The non standard unit, as requested, consists of approximately 136.18 acres that are contiguous by a common bordering side.
- (B) The non standard unit lies wholly within a single governmental quarter section.
- (C) Energy Reserves Group is the sub operator of the Gallegos Canyon Unit which includes all formations above the base of the Pictured Cliffs Formation.

If there are any questions, please call anytime.

Very truly yours,

ENERGY RESERVES GROUP, INC.

William J. Fiant  
Field Services Administrator

WJF/ef  
Attach.

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

Form C-107  
Revised 10-1-78

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

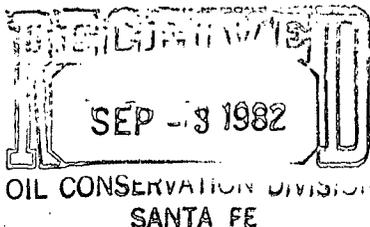
|   |   |  |   |                           |
|---|---|--|---|---------------------------|
| Operator<br><b>ENERGY RESERVES GROUP, INC.</b>  |   | Lease<br><b>GALLEGOS CANYON UNIT</b>     |   | Well No.<br><b>334</b>    |
| Unit Letter<br><b>N</b>   | Section<br><b>11</b>                          | Township<br><b>28N</b>                   | Range<br><b>12W</b>                             | County<br><b>San Juan</b> |
| Actual Footage Location of Well:<br><b>810</b> feet from the <b>South</b> line and <b>1790</b> feet from the <b>West</b> line |   |  |   |                           |
| Ground Level Elev.<br><b>5513</b>   | Producing Formation<br><b>Pictured Cliffs</b> | Pool<br><b>West Kutz Pictured Cliffs</b> | Dedicated Acreage:<br><b>160 (136.18)</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.



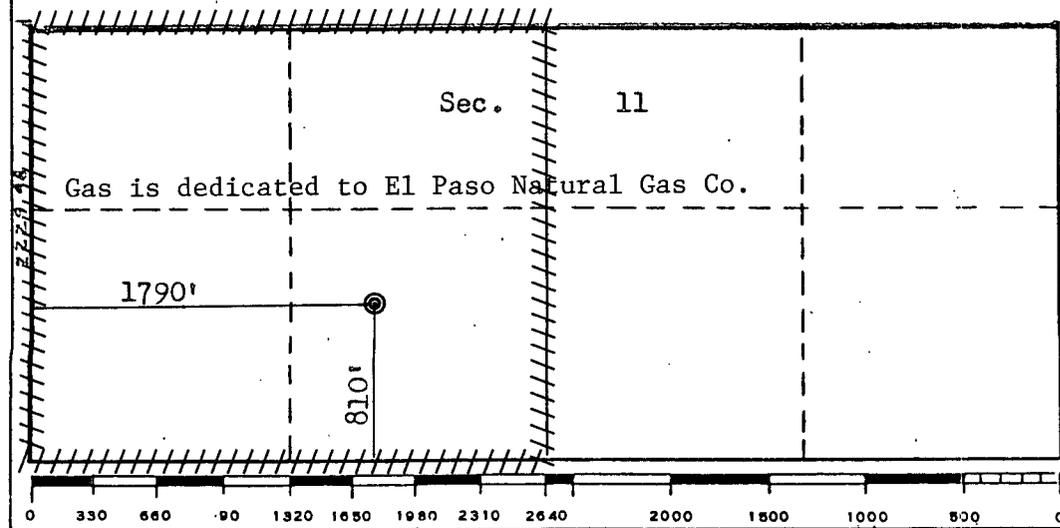
CERTIFICATION

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

Name: *William J. Kerr*  
 Position: **Field Services Administrator**  
 Company: **Energy Reserves Group, Inc.**  
 Date: **May 4, 1982**

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: **April 19, 1982**  
 Registered Professional Engineer and/or Land Surveyor:  
*Fred B. Kerr Jr.*  
**Fred B. Kerr Jr.**  
 Certificate No.: **3950**





STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

TONY ANAYA  
GOVERNOR

*Amended*

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-5800

~~March 6, 1983~~  
*January 24, 1983*

Energy Reserves Group, Inc.  
P. O. Box 3280  
Casper, Wyoming 82602

Attention: William J. Fiant

Administrative Order NSP-1357 (*Amended*)

Gentlemen:

Reference is made to your application for a <sup>135.4</sup>~~136.18~~-acre non-standard proration unit consisting of the following acreage in the West Kutz-Pictured Cliffs Pool:

SAN JUAN COUNTY, NEW MEXICO  
TOWNSHIP 28 NORTH, RANGE 12 WEST, NMPM  
Section 11: W/2

It is my understanding that this unit is to be dedicated to your Gallegos Canyon Unit Well No. 334 located 810 feet from the South line and 1790 feet from the West line of said Section 11.

By authority granted me under the provisions of Rule 104 D II of the Division Rules and Regulations, the above non-standard proration unit is hereby approved.

Sincerely,

JOE D. RAMEY  
Director

JDR/RLS/jc

- cc: Oil Conservation Division - Aztec
- Oil & Gas Engineering Committee - Hobbs
- Oil & Gas Division - State Land Office