

*Relies Immediately
Varies in Oil Reserves
and Survey.*

By: U.B

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

*NSP 1459
Rule 104 D(II)*

Φ Energy Reserves Group

May 13, 1985

Amoco Production Company
501 Airport Road
Farmington, NM 87401

Amoco Production Company
P. O. Box 800
Denver, CO 80201

RE: Offset Operators Notification, Non-Standard Unit, Gallegos Canyon Unit,
San Juan County, New Mexico

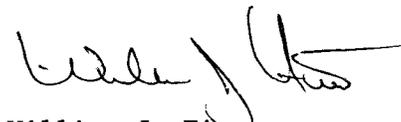
Gentlemen:

Energy Reserves Group, Inc. as sub-operator of the Gallegos Canyon Unit, Pictured
Cliffs Participating Area, proposes to drill Gallegos Canyon Unit Well No. 359,
~~Section 10, T28N - R12W~~ to test the Fruitland formations.

Section 10 is a non-standard section due to the public land survey. The NW 1/4
consists of 135.93 acres. (Please see attached letter, survey plat & topo-
graphical map). *Deduced acreage - 1/4 Section 10. North Porcupine Fruitland
135.93 acres*

If there are no objections to the proposed non-standard unit, we would appreciate
your signature in the below listed space and forwarding this letter to the New
Mexico Oil Conservation Division in Santa Fe.

Very truly yours,
Energy Reserves Group, Inc.


William J. Fiant
Administrator, Field Services

WJF/11

Attachments

Amoco Production Company has no objection to the proposed non-standard unit as
planned by Energy Reserves Group, Inc.

Signed: *R. J. Caswell*



Energy Resources
Spec. Unit below

Amoco Production Company

Denver Region
1670 Broadway
P.O. Box 800
Denver, Colorado 80201
303-830-4040

R. J. Criswell
Division Production Manager

May 30, 1985

State of New Mexico
Energy & Minerals Department
Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico 87501

File: JTM-129-WF

Non-Standard Unit,
Gallegos Canyon Unit #359
San Juan County, New Mexico

In reference to the attached letter dated May 13, 1985, Amoco Production Company has no objections to the non-standard unit.

Very truly yours,

R. J. Criswell Jr

BAM/pjg

Attachment

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



May 13, 1985

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

State of New Mexico
Energy & Minerals Department
Oil Conservation Commission
1000 Rio Brazos Road
Aztec, NM 87401

Bureau of Land Management
Caller Service #4104
Farmington, NM 87499

RE: Application for Permit to Drill, Non-Standard Unit

Gentlemen:

Attached is an Application for Permit to drill Gallegos Canyon Unit #359 located in the SW/SW of Section 10, T28N - R12W, San Juan County, New Mexico. The well spacing for this area is 160 acres. Section 10 is a non-standard section as necessitated by a variation in the legal subdivision of the U.S. Public Land Survey (see attached survey plat and U.S.G.S. topographical map). Approval is requested for a non-standard unit for this well. Energy Reserves Group, Inc. is the sub-operator of the Gallegos Canyon Unit which includes the formations from the surface to the base of the Pictured Cliffs formation within the boundary of the offset operator. Amoco Production Company is the Gallegos Canyon Unit operator and is the only other interest owner within the area of concern. Amoco has been notified via certified mail as of this date.

If any additional information is needed, please advise.

Very truly yours,
Energy Reserves Group, Inc.

William J. Fiant
Administrator, Field Services

WJF/11

Attachment

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 ENERGY RESERVES GROUP		Lease GALLEGOS CANYON UNIT		Well No. 359
Unit Letter M	Section 10	Township 28N	Range 12W	County San Juan
Actual Footage Location of Well: 1075 feet from the South line and 1025 feet from the West line				
Ground Level Elev: 5532	Producing Formation Fruitland	Pool North Pinion Fruitland	Dedicated Acreage: 160 (135.93 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.

GAS is dedicated to El Paso Natural Gas Company

CERTIFICATION

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

William J. Fiant

Name
William J. Fiant

Position
Administrator, Field Services

Company
Energy Reserves Group, Inc.

Date
5/3/85

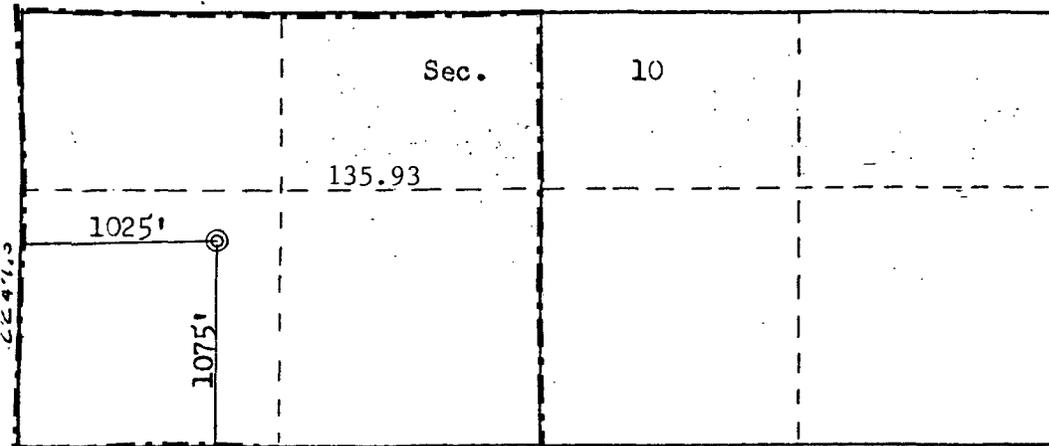
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
April 23, 1985

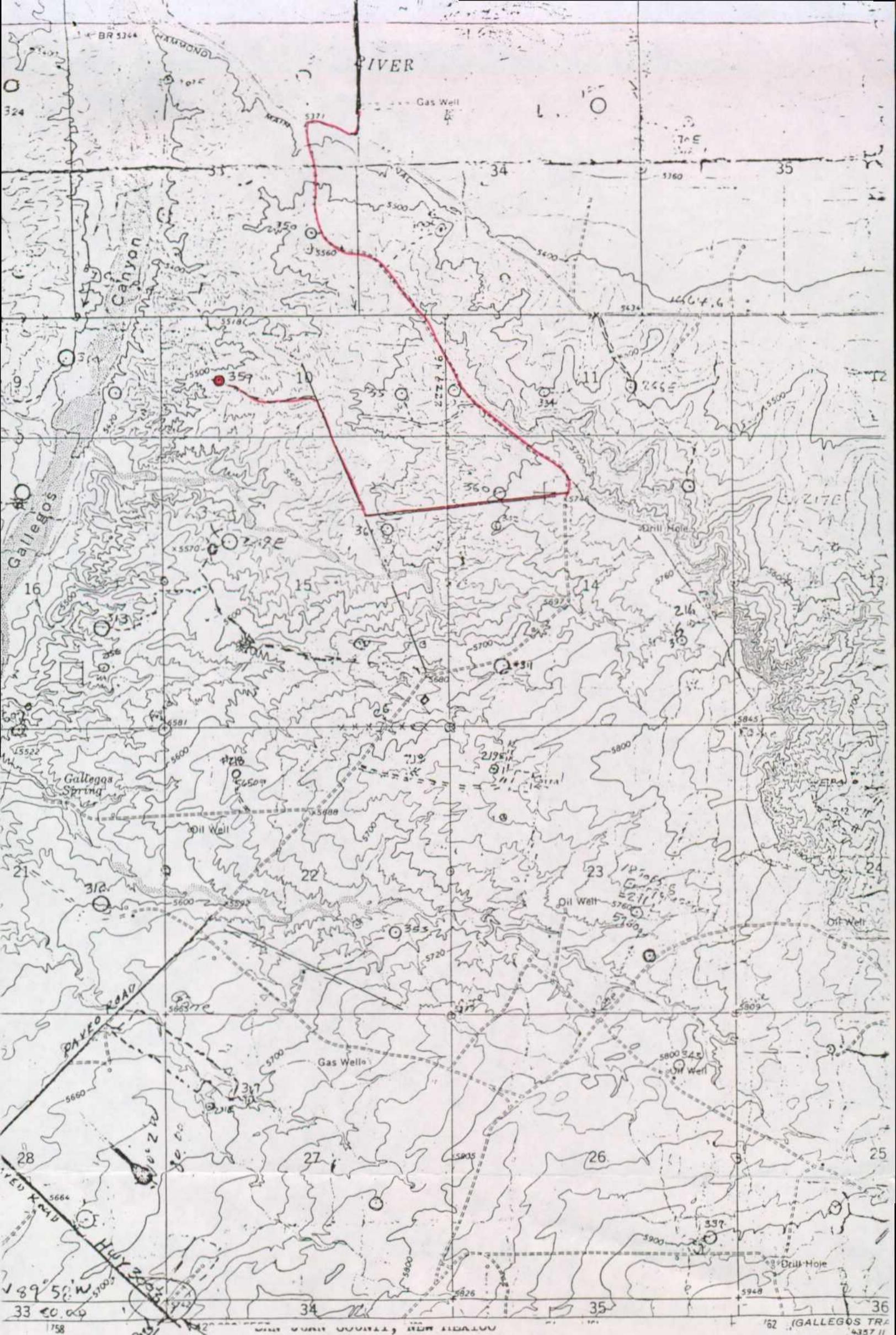
Registered Professional Engineer and Land Surveyor

Fred B. Kerr Jr.
Fred B. Kerr Jr.

Certificate No. **3950**



Scale: 1"=1000'



and published by the Geological
 SC&GS, and U. S. Bureau of Reclam
 armetric methods from aerial
 and by planetable surveys of the
 Field checked by UGS 19...
 American datum
 rdinate system.

Vicinity Map for
ENERGY RESERVES GROUP #359 GALLEGOS CANYON UNIT
 1075'FSL 1025'FWL Sec. 10-T28N-R12W
 SAN JUAN COUNTY, NEW MEXICO

1" = 45' / 31 MILS
 1" = 1249 MILS

SCALE 1:
 2000' 1000'
 5 0
 CONTOUR INTER
 DOTTED LINES REPRESENT
 DATUM IS MEAN