

State of New Mexico

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

2040 Paseo St.

1220 S. St. Francis Dr.

Santa Fe, NM 87505

FOR DIVISION USE ONLY:

APPLICATION FOR WELLHEAD PRICE CEILING CATEGORY DETERMINATION

5A. Indicate Type of Lease

STATE FEE

5. State Oil & Gas Lease No.

APPROPRIATE FILING FEE(S) ENCLOSED? YES NO

DATE COMPLETE APPLICATION FILED Sept. 19, 2001

DATE DETERMINATION MADE Nov. 18, 2002

WAS APPLICATION CONTESTED? YES NO

NAME(S) OF INTERVENORS(S), IF ANY: NA

- FILING FEE(S) - Effective October 1, 1986, a non-refundable filing fee of \$25.00 per category for each application is mandatory. (Rule 2, Order No. R-5878-8-3)

7. Unit Agreement Name

8. Farm or Lease Name

Gallegos Canyon Unit

9. Well No.

506

10. Field and Pool, or Wildcat

Kutz

Pictured Cliffs West

12. County

San Juan

2. Name of Operator

Amoco Production Company

3. Address of Operator

P.O. Box 3092 Houston TX 77253

4. Location of Well

UNIT LETTER L LOCATED 1465 FEET FROM THE SOUTH LINE

AND 1095 FEET FROM THE WEST LINE OF SEC. 16 TWS. 29N RGE. 12W NMPM

11. Name and Address of Purchaser(s)

El Paso Field Services

Check appropriate box for category sought and information submitted. Enter required information on lines 1 and 2, below.

- 1. Category(ies) sought (By NGPA Section No.)
- 2. Filing Fee(s) Amount Enclosed: \$ 25.00
- 3. All applications must contain:
 - a. C-101 APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK
 - b. C-105 WELL COMPLETION OR RECOMPLETION REPORT
 - c. DIRECTIONAL DRILLING SURVEY, IF REQUIRED UNDER RULE 111
 - d. AFFIDAVITS OF MAILING OR DELIVERY
- 4. In addition to the above, all applications must contain the items required by the applicable rule of the Division's "Special Rules of Applications for Wellhead Price Ceiling Category Determinations" as follows:
 - A. NEW NATURAL GAS UNDER SEC. 102 (c) (1) (B) (using 2.5 Mile or 1000 Feet Deeper Test)
 - All items required by Rule 14 (1) and/or Rule 14 (2)
 - B. NEW NATURAL GAS UNDER SEC. 102 (c) (1) (C) (new onshore reservoir)
 - All items required by Rule 15
 - C. NEW ONSHORE PRODUCTION WELL UNDER SEC. 103
 - All items required by Rule 16a OR Rule 16B
 - D. SEC. 107 HIGH COST NATURAL GAS (TIGHT FORMATION, DEEP, COAL SEAM, AND PRODUCTION ENHANCEMENT) UNDER SEC. 103
 - All items required by Rule 17 (1), Rule 17 (2), Rule 17 (4), or Rule 17 (5)
 - E. STRIPPER WELL NATURAL GAS UNDER SEC. 108
 - All items required by Rule 18

I, HEREBY CERTIFY THAT THE INFORMATION CONTAINED HEREIN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Mary Corley

NAME OF APPLICANT (TYPE OR PRINT)

Mary Corley

SIGNATURE OF APPLICANT

Title Senior Regulatory Analyst

Date September 5, 2001

API No. 30-045-28067

FOR DIVISION USE ONLY

Approved

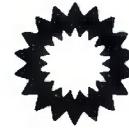
Disapproved

The information contained herein includes all of the information required to be filed by the applicant under Subpart 8 of Part 274 of the FERC regulation

[Signature]

EXAMINER

bp



**San Juan Business Unit
Amoco Production Company**

A Part of the BP Amoco Group
501 WestLake Park Blvd.
Houston, TX 77079-3092

Phone: 281-366-4491

August 29, 2001

State of New Mexico
Oil Conservation Division
2040 Pacheco St.
Santa Fe, New Mexico 87505

Application For Well Category Determination
NGPA Section 107
Gallegos Canyon Unit Well No. 506
San Juan County, New Mexico

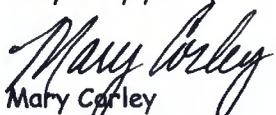
API No. 30-045-28067

Amoco Production Company is enclosing, for review and approval by the Oil Conservation Division, the original and one copy of an Application for Well Category Determination for the referenced well. Please hold the information in the filing confidential to the maximum extent allowed by law.

A copy of this letter and the FERC Form 121 has been mailed to each working interest owner entitled to receive Notice of this Application.

Please indicate receipt of this filing by date stamping the attached copy of this letter and returning the copy for our records.

Very truly yours,


Mary Corley
Sr. Regulatory Analyst

Enclosures

Cc: Working Interest Owners

APPLICATION FOR WELL CATEGORY DETERMINATION
PUSUANT TO SECTION 270 OF
THE FEDERAL ENERGY REGULATORY COMMISSION'S
REGULATIONS IMPLEMENTING
THE NATURAL GAS POLICY ACT OF 1978 (NGPA)

AFFIDAVIT
TIGHT FORMATION GAS

STATE OF TEXAS
COUNTY OF HARRIS

BEFORE ME, the undersigned authority, duly commissioned and qualified within and for the State and County aforesaid, personally came and appeared Mary Corley, who being by me first duly sworn, deposed and said:

That she is the Senior Regulatory Analyst for Amoco Production Company, the applicant for the well hereinafter described, and that capacity, she is requesting the appropriate Authorized Officer to make a determine that this well is producing from a coal seal formation pursuant to the rules and regulations of the Bureau of Land Management and the Federal Energy Regulatory Commission (FERC), as such rules relate to NGPA.

That production from the Gallegos Canyon Unit # 506 well, API No. 30-045-28067 is natural gas produced from a FERC designated tight formation, assigned State No. NM - 55 through:

ms.
a well the surface drilling of which began after December 31, 1979, but before January 1, 1993;

ms.
a recompletion commenced after January 1, 1993, the surface drilling of which began after December 31, 1979, but before January 1, 1993; or

_____ a recompletion commenced after December 31, 1979 but before January 1, 1993, where such gas could not have been produced from any completion location in existence in the well bore before January 1, 1980; and

Said applicant has no knowledge of any information not described in the application that is inconsistent with her conclusion.

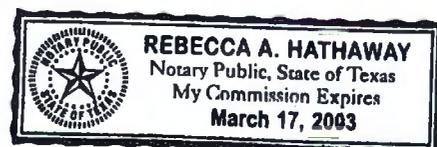
Mary Corley
Mary Corley
Senior Regulatory Analyst

Subscribed in my presence and duly sworn to before me, this 29 day of August, 2001.

Rebecca A. Hathaway
Notary Public

My Commission Expires:

BLM Affidavit



Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.
30-045-28067

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.
B-9145

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"
(FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name

Gallegos Canyon Unit

1. Type of Well:
OIL WELL GAS WELL OTHER

2. Name of Operator
BHP Petroleum (Americas) Inc.

8. Well No.
506

3. Address of Operator
5847 San Felipe, Suite 3600, Houston, Texas 77057

9. Pool name or Wildcat
W. Kutz Pictured Cliffs

4. Well Location
Unit Letter L : 1465 Feet From The South Line and 1095 Feet From The West Line
Section 16 Township 29N Range 12W NMPM San Juan County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
5593 GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK PLUG AND ABANDON
TEMPORARILY ABANDON CHANGE PLANS
PULL OR ALTER CASING
OTHER:

REMEDIAL WORK ALTERING CASING
COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT
CASING TEST AND CEMENT JOB
OTHER: Completion History

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

The subject well has been completed. A daily summary of completion operations and deviation surveys are attached.

RECEIVED
APR 08 1991
OIL CON. DIV.
DIST. 3

RECEIVED
APR 08 1991
OIL CON. DIV.
DIST. 3

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

SIGNATURE Beverly Comer TITLE Production Tech DATE March 18, 1991
TYPE OR PRINT NAME Beverly Comer TELEPHONE NO. (713) 780-5000

(This space for State Use)

APPROVED BY Original Signed by FRANK T. CHAVEZ TITLE SUPERVISOR DISTRICT # 3 DATE APR 08 1991

CONDITIONS OF APPROVAL, IF ANY:

BHP PETROLEUM (AMERICAS), INC.
GALLEGOS CANYON UNIT NO. 506
SEC. 16, T29N-R12W (NW/SW)
WEST KUTZ PICTURED CLIFFS FIELD
SAN JUAN COUNTY, NEW MEXICO

WELL COMPLETION HISTORY

11/16/90- Depth 1532' (736') Drill 6-1/4" hole to 1532' with one survey. Change out mud pumps. Dev 1/2° @1230'. Bit No. 2 6-1/4" Varel V517 Ser #55696 in @ 148'. Jets 1/32 2-14. WOB all, RPM 80, psi 600, SPM 60, MW 8.4, Vis 28, MW 8.4, PV/YP 5/2, Gels 0/1, WL 15, pH 8.0, Solids 3.5, tr sand. DCs 14-4-3/4". Drill 14-1/4 hrs, lub rig 1/2 hr, rep rig 9 hr, dev survey 1/4 hr. DMC: \$400 CMC: \$900 DC: \$8,292 TAC: \$26,160

11/17/90- Depth 1745' (213') Drill 6-1/4" hole to 1745'. Circ. & Cond. for logs short trip to collars. POOH to 530, & spot heavy pill of 12.5 ppg mud to surface. POOH & RU HLS. GIH w/logging tools & set down @ 808'. TIH w/drill pipe, did not touch anything. Circ. & Cond. POH to collars & spot pill. POH & GIH w/ logging tools & set dn @ 816'. TIH w/DP no problems. Circ & cond. Raise wt to 13 ppg & vis to 80. POH, GIH w/logs & tools stopped at 816'. Dev 1/2° @1230'. Bit No. 2 6-1/4" Varel V517 Ser #55696 in @ 148'out @ 1745'. Jets 1/32 2-14. WOB all, RPM 80, psi 600, SPM 60, Vis 28, MW 13.0, vis 80, PV/YP 12/5, Gels 15/8, WL 5.0, pH 9.5, Solids 5, tr sand, FC/32 2. DCs 14-4 3/4". Drill 4-3/4 hrs, cond & circ 7 hrs, trips 8 3/4 hrs, lub rig 1/2 hr, WL logs 3 hrs. DMC: \$1500 CMC: \$2400 DC: \$7,642 TAC: \$33,802

11/18/90- TD: 1745' POH w/tools. TIH & wash fm 730 to 1000'. POH break dn stacked tools & ran DIL/SP/GR logs. Log TD 1745'. GIH w/SDL/DSN/Coal, tools stopped @ 803'. POH TIH w/DP to 1000' & cond. POH & change pad on density tool. GIH & ran SDL/DSN/COAL logs. TIH w/DP & cond for csg. POH LD DP & DCs. PU ran 42 jts. 4 1/2" 10.5# J-55 8R ST&C csg. & land @ 1733' KB. RU & cmt w/285 sx lead 50/50 poz, 2% gel, 10% salt, 1/4#sx Cel Seal & 30 sx tail Class "B" 1.2% CF low fluid loss obtained full ret w/2 bbl to surf. Bump plug & float held. Dn @ 12:30 am 11/18/90. ND & jet pit. Release rig @ 4:30am 11/18/90. Dev 1/2° @ 1230'. MW 13.0, vis 80, PV/YP 12/5, Gels 15/8, WL 5.0, pH 9.5, FC/32 2, Solids 5, tr sand. DCs 14-4-3/4". Cond & Circ. 3/4 hr, trips 4 hrs, W.L. Logs 7 hrs. run csg & cmt 3 1/2 hrs, Lay DN DP 2-1/4 hrs, ND BOP and jet 4 hrs. DMC: \$3800 CMC: \$6200 DC: \$33,776 TAC: \$67,578 WOCT.

12/28/90- TD: 1745' MIRU PU 3 7/8' bit & 4 1/2" csg. Scraper on 2 3/8" tbg & tally in hole. Tag cement @ 1625" KB. RU swivel. DC: \$ 2,600 TAC: \$2,600 TAC: \$70,178 WOCT.

12/29/90- TD: 1745' PBTB 1706' Drill out cement from 1625' to 1699' KB. RD power swivel & circ hole clean w/2% KCL & additives. RU perforators & ran GR/CCL log. Perforate the Pictured Cliffs from 1576' to 1604' w/ 3 1/8" premium charged 90 deg. phased csg gun @ 4 JSPF. All shots fired, no pressure to surface. RD perforators. SDFN. DC: \$4,700 TACC: \$7,300 TAC: \$74,878

12/30/90- TD:1745' PBDT: 1706' WO frac crew. DC: \$300 TACC: \$7,600 TAC: \$75,178

12/31/90- TD:1745' PBDT: 1706' Heat frac water. DC: \$800 TACC: \$8,400 TAC: \$75,978

01/01/91- TD: 1745' PBDT: 1706' No pressure on csg. RU BJ and fracture stimulate the Pictured Cliffs dn 4-1/2" csg with 8904 gal 30# linear gel, 70 quality foam and 62,580# 20/40 mesh brady sand at 25 BPM. Inj R/A material SC46 in fluid and IR192 in proppant. Max press 1400 psi, avg 1100 psi, avg rate 25 BPM. Max sand cond 5 ppg. ISIP 1180 . Bled back for closure. 15 min 992 psi. 4 hr SICP 760 psi. Open well to frac tank on 3/8" pos choke. TBLR 0 BLTR 212 Days 5 DC: \$26,800 TACC: \$35,200 TAC: \$102,778

01/02/91- TD: 1745' PBDT: 1706' Perfs 1576-1604'. 14 hour flowing on a 3/8" pos choke. FCP 312 psi. Recovered 84 bbl load with an est gas rate of 500 MCF/D. TBLR 84 BLTR 128 Days 6 DC: \$800 TACC: \$36,000 TAC: \$103,578

01/03/91- TD: 1745' PBDT: 1706' Perfs 1576-1604'. 24 hour flowing on a 3/8" pos choke. FCP 280 psi. Recovered 43 bbl load with an est gas rate of 400 MCF/D. TBLR 127 BLTR 85 Days 7 DC: \$300 TACC: \$36,300 TAC: \$103,878

01/04/91- TD: 1745' PBDT: 1706' Perfs 1576-1604'. 24 hour flowing on a 3/8" pos choke. FCP 270 psi. Recovered 40 bbl load with an est gas rate of 380 MCF/D. MIRU and kill well with 25 bbl 2% KCL & additives and TIH w/tbg. Tag sand at 1582'. Circulate and clean out to PBDT. POH RU HLS and ran a tracer check log from 1694' to 1500'. TIH with 51 jts 2-3/8" 4.7# J-55 8R EUE tbg and land at 1605' KB with S.N. at 1572' KB. ND BOPE NU Well head. RU and swab back 10 bbl and well kicked off flowing. Left well flowing on a 3/8" pos choke. TBLR 177 BLTR 60 Days 8 DC: \$10,300 TACC: \$46,600 TAC: \$114,178

01/05/91- TD: 1745' PBDT: 1706' Perfs 1576-1604' Well dead. Swab back 12 bbl and well kicked off flowing. Flow well on a 3/8" pos choke for 3 hours and set test separator. Flowing well through test separator. TBLR 197 BLTR 40 Days 9 DC: \$1,800 TACC: \$48,400 TAC: \$115,978

01/06/91- TD: 1745: PBDT: 1706' Perfs 1576-1604'. 21 hours flowing well through test separator with a 2" meter run. FTP 155 psi, csg 300 psi. Recovered 25 bbl load w/ a gas rate of 1314 MCF/D. TBLR 222 BLTR 15 Days 10 DC: \$0 TACC: \$48,400 TAC: \$115,978

01/07/91- TD: 1745: PBDT: 1706' Perfs 1576-1604'. 21 hours flowing well through test separator with a 2" meter run. FTP 145 psi, csg 270 psi. Recovered 33 bbl load w/ a gas rate of 1290 MCF/D. TBLR 255 BLTR +18 Days 11 DC: \$0 TACC: \$48,400 TAC: \$115,978

01/08/91- TD: 1745: PBDT: 1706' Perfs 1576-1604'. 24 hours flowing well through test separator with a 2" meter run. FTP 160 psi, csg 262 psi. Recovered 34 bbl load w/ a gas rate of 1213 MCF/D. TBLR 289 BLTR +52 Days 12 DC: \$0 TACC: \$48,400 TAC: \$115,978

01/09/91- TD: 1745: PBDT: 1706' Perfs 1576-1604'. 24 hours flowing well through test separator with a 2" meter run. FTP 165 psi, csg 262 psi. Recovered 27 bbl load w/ a gas rate of 1138 MCF/D. TBLR 316 BLTR +79 Days 13 DC: \$800 TACC: \$49,200 TAC: \$116,778

01/10/91- TD: 1745: PBDT: 1706' Perfs 1576-1604'. 24 hours SITP 340 psi, SICP 360 psi. TBLR 316 BLTR +79 Days 14 DC: \$0 TACC: \$49,200 TAC: \$116,778 FINAL REPORT.

Submit 3 Copies to Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION P.O. Box 2088 Santa Fe, New Mexico 87504-2088

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO. 30-045-28067

5. Indicate Type of Lease STATE [X] FEE []

6. State Oil & Gas Lease No. B-9145

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name Gallegos Canyon Unit

1. Type of Well: OIL WELL [] GAS WELL [X] OTHER []

8. Well No. 506

2. Name of Operator BHP Petroleum (Americas), Inc.

9. Pool name or Wildcat W. Kutz Pictured Cliffs

3. Address of Operator 5847 San Felipe, Suite 3600 Houston, TX 77057

4. Well Location Unit Letter L : 1465 Feet From The South Line and 1095 Feet From The West Line Section 16 Township 29N Range 12W NMPM San Juan County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 5593' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data. NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK [] PLUS AND ABANDON [] TEMPORARILY ABANDON [] CHANGE PLANS [] PULL OR ALTER CASING [] OTHER: OIL CON. DIV. DIST. 3 [] SUBSEQUENT REPORT OF: REMEDIAL WORK [] ALTERING CASING [] COMMENCE DRILLING OPNS. [] PLUG AND ABANDONMENT [] CASING TEST AND CEMENT JOB [] OTHER: Well History [X]

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Spud well @ 5:30 pm on 11/13/90. Drld 8-3/4" hole to 148' KB. Ran 3 jts 7" 20# K-55 8R ST&C csg & landed @ 143' KB. Cmt w/125 sxs (147.50 cu ft) Class "B" w/2% CaCl & 1/4# sx Cello seal. Full returns w/7 bbls cmt circ to surf. WOC. NU BOP. Test csg & blind rams to 2,000 psi. Drld 6-1/4" hole to 1745'. POOH. Ran DIL/SP/GR/SDL/DSN/Coal logs. Ran 42 jts 4-1/2" 10.5# J-55 8R ST&C csg. Landed @ 1733' KB. Cmt w/285 sxs (359 cu ft) lead, 50/50 Poz, 2% gel, 10% salt & 1/4# sx Cello seal. Tail w/30 sxs (35 cu ft) Class "B", 1.2% CF. Full ret w/2 bbls to surf. Rel rig @ 4:30 am on 11/18/90.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. SIGNATURE Beverly Comer TITLE Production Technician DATE 11/29/90 TYPE OR PRINT NAME Beverly Comer TELEPHONE NO. 713/780-5000

(This space for State Use) APPROVED BY Original Signed by FRANK T. CHAVEZ TITLE DATE

CONDITIONS OF APPROVAL, IF ANY:

Submit to Appropriate District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

API NO. (assigned by OCD on New Wells)
30-045-28067

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.
B-9145

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK					
1a. Type of Work: DRILL <input checked="" type="checkbox"/> RE-ENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>				7. Lease Name or Unit Agreement Name Gallegos Canyon Unit	
b. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>					
2. Name of Operator BHP Petroleum (Americas) Inc.				8. Well No. 506	
3. Address of Operator 5847 San Felipe Ste 3600 Houston TX 77057-3005				9. Pool name or Wildcat W. Kutz Pictured Cliffs <u>EXT</u>	
4. Well Location Unit Letter <u>L</u> : <u>1465</u> Feet From The <u>South</u> Line and <u>1095</u> Feet From The <u>West</u> Line Section <u>16</u> Township <u>29N</u> Range <u>12W</u> NMPM <u>San Juan</u> County					
		10. Proposed Depth 1721'		11. Formation Pictured Cliffs	12. Rotary or C.T. Rotary
13. Elevations (Show whether DF, RT, GR, etc.) 5593' GR		14. Kind & Status Plug. Bond Blanket	15. Drilling Contractor Unknown		16. Approx. Date Work will start Fall 1990
17. PROPOSED CASING AND CEMENT PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
8 3/4"	7"	20#	±130'	50 sx (57.5 cu. ft.)	surf
6 1/4"	4 1/2"	10.5#	±1721'	216 sx (267 cu. ft.)	surf

It is proposed to drill the subject well to 1721' with primary production anticipated in the Pictured Cliffs.

Estimated formation tops: Ojo Alamo 202'
Kirtland 296'
Fruitland 1300'
Basal Fruitland 1534'
Pictured Cliffs 1571'
TD 1721'

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AUG 2 1990
OIL CON. DIV
DIST. 3

BOPE will consist of 2,000# Reagen Bladder type B.O.P., pipe rams & blind ram B.O.P.

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.

SIGNATURE Chuck Williams TITLE Field Services Administrator DATE 7/26/90
TYPE OR PRINT NAME Chuck Williams TELEPHONE NO. (713) 780-5448

(This space for State Use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE AUG 03 1990

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL EXPIRES _____
UNLESS DRILLING IS COMMENCED.
SPUD NOTICE MUST BE SUBMITTED
WITHIN 10 DAYS.

Submit to Appropriate District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-102
 Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator BHP PETROLEUM (AMERICAS) INC.			Lease GALLEGOS CANYON UNIT			Well No. 506		
Unit Letter L	Section 16	Township 29 N	Range 12 W	County San Juan				
Actual Footage Location of Well: 1465 feet from the South line and 1095 feet from the West line								
Ground level Elev. 5593	Producing Formation Pictured Cliffs			Pool W. Kutz Pictured Cliffs	Dedicated Acreage: 160 Acres			

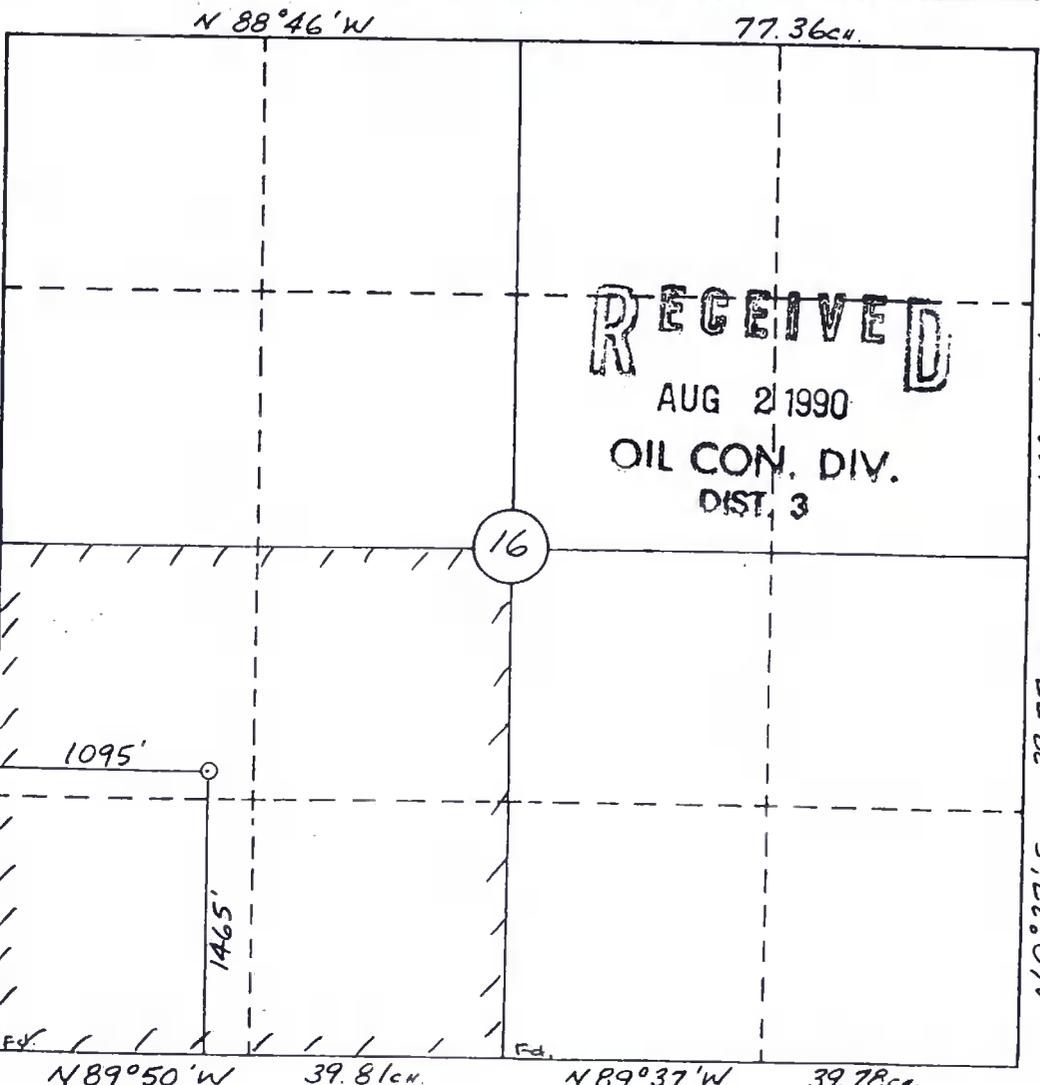
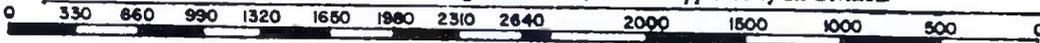
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

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 interest 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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature: *Chuck Williams*
 Printed Name: **Chuck Williams**
 Position: **Field Services Administrator**
 Company: **BHP Petroleum (Americas) Inc.**
 Date: **July 26, 1990**

SURVEYOR CERTIFICATION

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: **7-2-90**
 Signature & Seal of **William E. Mahnke II**
 Professional Surveyor
 Certificate No. **8466**

RECEIVED
 AUG 2 1990
 OIL CON. DIV.
 DIST. 3

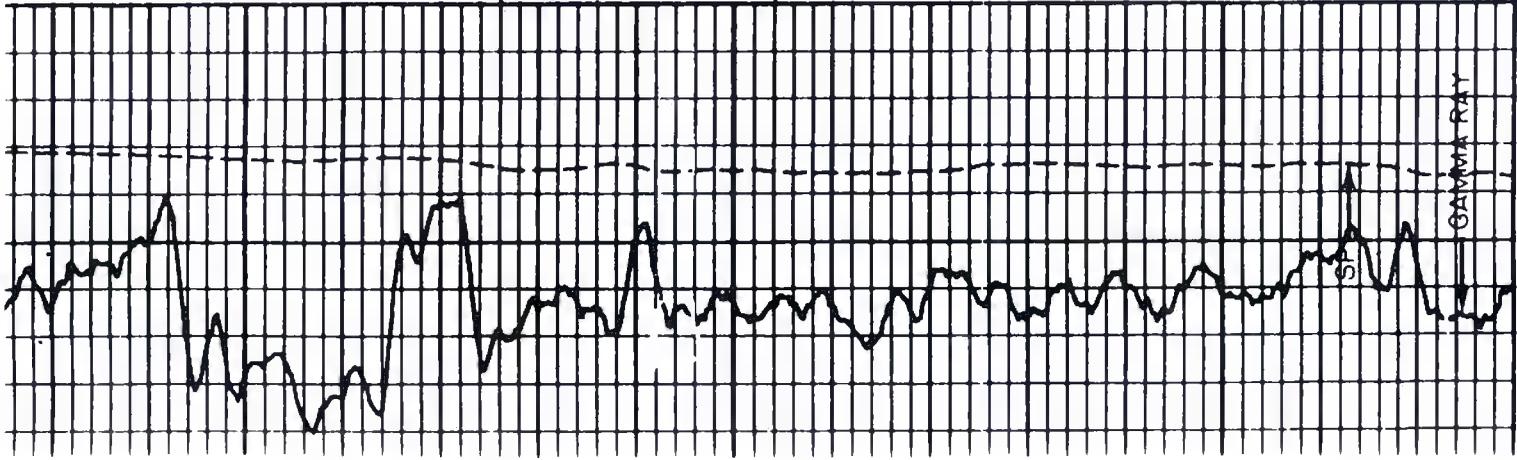


DUAL INDUCTION LOG

COMPANY	COMPANY BHP PETROLEUM AMERICAS, INC.		
WELL	WELL CALLEGOS CANYON UNIT NO. 506		
FIELD	FIELD W. KUTZ PICTURED CLIFFS		
COUNTY	COUNTY SAN JUAN	STATE NM	
ST	API NO. N.A.	OTHER SERVICES	
	LOCATION	8DL-D8M	
	1465 F8L AND 1095 FML	COAL LOG	
	SEC. 16	TMP 29M	RGE 12M
PERMANENT DATUM G.L.	ELEV. 5593	ELEV.: K.B. 5603	
LOG MEASURED FROM K.B.	10 FT. ABOVE PERM. DATUM	D.F. 5602	
DRILLING MEASURED FROM K.B.		G.L. 5593	
DATE	11-17-90		
RUN NO.	ONE		
DEPTH-DRILLER	1745		
DEPTH-LOGGER	1745		
BTM. LOG INTER.	1743		
TOP LOG INTER.	132		
CASING-DRILLER	7.0 @143		
CASING-LOGGER	144		
BIT SIZE	6.25		
TYPE FLUID IN HOLE	GEL-CHEM.		
DENS. & VISC	13.2 @80		
PH & FLUID LOSS	9.0 @15.0		
SOURCE OF SAMPLE	FLOWLINE		
RM @ MEAS. TEMP.	5.0 @68		
RMF @ MEAS. TEMP.	4.2 @67		
RMC @ MEAS. TEMP.	5.9 @68		
SOURCE RMF : RMC	MEAS. : MEAS.		
RM @ BHT	3.8 @92		
TIME SINCE CIRC.	5 HOURS		
TIME ON BOTTOM	09:15		
MAX. REC. TEMP.	92 @T.D.		
EQUIP. & LOCATION	513111ENID		
RECORDED BY	B. HALE		
WITNESSED BY			

Fold Here

Service Ticket No.: 591148		API Serial No.: N.A.		PGM Version: 9.21	
Change in Mud Type or Additional Samples		RESISTIVITY SCALE CHANGES			
Date/Sample No.	Type	Log	Depth	Scale Up	Scale Down
Depth-Driller					
Type Fluid					
in Hole					
Dens. : Visc.					
PH : Fluid Loss					
Source of Sample					
RM @ Meas. Temp.					
RMf @ Meas. Temp.					
Rmc @ Meas. Temp.					
Source: Rmf:Rmc					
RM @ BHT	3.8	092			
RMf @ BHT	3.2	092			
Rmc @ BHT	4.5	092			
RESISTIVITY EQUIPMENT DATA					
Run No	Tool Type	No	Pad Type	Tool Pos.	Other
ONE	DILT-A	M9446	NA	CENT.	
	DSGT-A	M8921	NA	CENT.	
EQUIPMENT DATA					
GAMMA		ACOUSTIC		DENSITY	
Run No.	ONE	Run No.	ONE	Run No.	NEUTRON
Serial No.	H188605	Serial No.	M8498	Serial No.	
Model No.	NGRT-A	Model No.	SDLT-A	Model No.	
Diameter	3 5/8"	Diameter	4.5"	Diameter	



GAMMA RAY

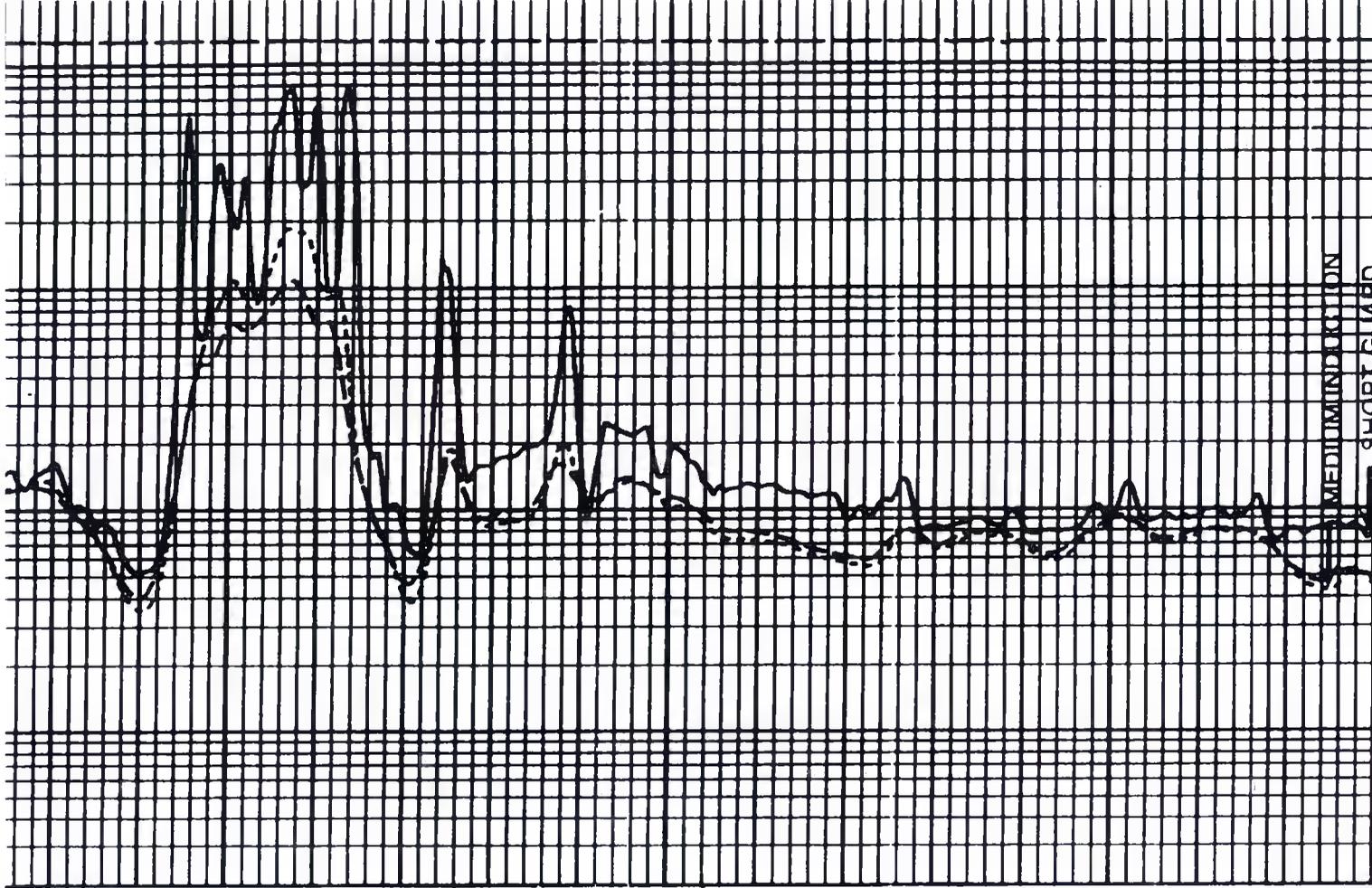
COAL

1570'
1601'

P.C.
SAND

1600

possible
water



MEDIUM INDUCTION

SHORT CLAMP

TENSION

10000

POUNDS

0

MEDIUM

0.2

OHM-M

2000

GUARD

0.2

OHM-M

2000

DEEP

0.2

OHM-M

2000

GAMMA

API

2000

SP

-110(+)



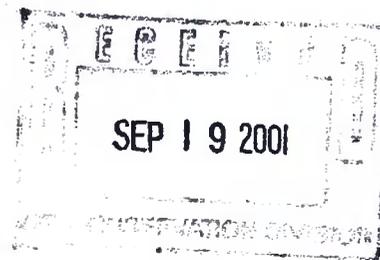
**San Juan Business Unit
Amoco Production Company**

A Part of the BP Amoco Group
501 WestLake Park Blvd.
Houston, TX 77079-3092

Phone: 281-366-4491

August 29, 2001

State of New Mexico
Oil Conservation Division
2040 Pacheco St.
Santa Fe, New Mexico 87505



**Application For Well Category Determination
NGPA Section 107
San Juan County, New Mexico**

Attached please find a check in the amount of \$150.00 payable to the State of New Mexico for NGPA Section 107 Well Category Determinations for the below listed Amoco Production Company wells.

Bunce Com Well # 1	Mesaverde Pool	NM - 48
Gallegos Canyon Unit Well # 323	Pictured Cliffs Pool	NM - 55
Gallegos Canyon Unit Well # 323	Fruitland Coal	Coal Seam
Gallegos Canyon Unit Well # 506	Pictured Cliffs	NM - 55
Heaton Gas Com LS Well # 9A	Fruitland Coal	Coal Seam
Heaton Gas Com LS Well # 9A	Mesaverde	NM - 48

Also enclosed, for review and approval by the Oil Conservation Division, are the original and one copy of an Application for Well Category Determination for each of the referenced wells.

Very truly yours,

Mary Corley
Mary Corley
Sr. Regulatory Analyst

Enclosures



ENERGY, MINERALS AND NATURAL RESOURCES DEPT.

-521

NO. 117303

Official Receipt

Received from: RC - OCD/SF - Kathy Valdes Dollar Amount _____

Date: 9/19 ~~2001~~

DR CR.	AMOUNT NUMBER	CENTER NUMBER	CREDIT AMOUNT	DEPOSIT NUMBER	WORK ORDER NO.
60	4290				
60	4291				
60	3450				
60	3451				
60	3410				
60	4210				
60	4240				
60	<u>1893</u>	<u>0711</u>	<u>150.00</u>		
60					
60					
60					

TOTAL

150.00

NGPA Filing Fee

By [Signature]



Amoco Production Company
509 South Boston
Tulsa, OK 74103

62-20
311

CHECK NO. [REDACTED]

09/10/01

PAY TO THE
ORDER OF

STATE OF NEW MEXICO
2040 PACHEO ST
SANTA FE, NM 87505 US

*****\$150.00

NOT VALID AFTER 6 MONTHS

One hundred fifty and 00/100 Dollars

TRACE NUMBER: [REDACTED]


Authorized Signature

CITIBANK DELAWARE. A SUBSIDIARY OF CITICORP
ONE PENN'S WAY, NEW CASTLE, DE 19720

[REDACTED]

—

—

—

—

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District I
PO Box 1980, Hobbs, NM 88241-1980

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-104
Revised February 21, 1994

Instructions on back
Submit to Appropriate District Office
5 Copies

AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator Name and Address Amoco Production Company 1670 Broadway P.O. Box 800 Denver, Colorado 80201		² OGRID Number 000778
		³ Reason for Filing Code CH Effective 5-01-1996
⁴ API Number 30-045-28067	⁵ Pool Name West Kutz Pictured Cliffs	
		⁶ Pool Code 79680
⁷ Property Code 00570	⁸ Property Name Gallegos Canyon Unit	
		⁹ Well No. 506

II. 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
L	16	29N	12W		1465	SOUTH	1095	WEST	SAN JUAN

¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Lse Code S	¹³ Producing Method Code Flowing		¹⁴ Gas Connection Date 01/1992	¹⁵ C-129 Permit Number N/A	¹⁶ C-129 Effective Date N/A	¹⁷ C-129 Expiration Date N/A			

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ POD	²¹ O/G	²² POD ULSTR Location and Description
778	Amoco Production Co. P.O. Box 800 Denver, CO 80201	2810981	G	

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APR - 8 1996

IV. Produced Water

²³ POD	²⁴ POD ULSTR Location and Description
-------------------	--

OIL CON. DIV.
DIST. 3

V. Well Completion Data

²⁵ Spud Date	²⁶ Ready Date	²⁷ TD	²⁸ PBTQ	²⁹ Perforations
³⁰ Hole Size	³¹ Casing & Tubing Size	³² Depth Set	³³ Sacks Cement	

VI. Well Test Data

³⁴ Date New Oil	³⁵ Gas Delivery Date	³⁶ Test Date	³⁷ Test Length	³⁸ Tbg. Pressure	³⁹ Csg. Pressure
⁴⁰ Choke Size	⁴¹ Oil	⁴² Water	⁴³ Gas	⁴⁴ AOF	⁴⁵ Test Method

⁴⁶ I hereby certify that the rules of the Oil Conservation Division have been complied with and the information given above is true and complete to the best of my knowledge and belief.

Signature: *Patty Haefele*
Printed Name: Patty Haefele
Title: Staff Assistant
Date: April 5, 1996
Phone: (303) 830-4988

OIL CONSERVATION DIVISION
Approved by: *Z.S.*
Title: SUPERVISOR DISTRICT #3
Approval Date: APR 26 1996

⁴⁷ If this is a change of operator fill in the OGRID number and name of the previous operator

[Signature]
Previous Operator Signature

J.C. Harris
Printed Name

Operations Superintendent
Title

April 2, 1996
Date

BHP Petroleum (Americas), Inc.
OGRID Number: 2217

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-135
Adopted 4-1-91

DISTRICT II
P.O. Drawer 190, Artesia, NM 88210-0190

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

SEE FILING INSTRUCTIONS
BOTTOM OF PAGE

DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410

GAS WELL CONNECTION, RECONNECTION, OR DISCONNECTION NOTICE

This is to notify the Oil Conservation Division of the following:

Connection X First Delivery 01-10-92 960 MCF/D
Date Initial Potential

Reconnection _____ First Delivery _____
Date Initial Potential

Disconnection _____
Date

for delivery of gas from the BHP PETROLEUM (AMERICAS) INC.
Operator

GALLEGOS CANYON UNIT
Lease

97154-01 506 L Sec.16, T29N, R12W
Meter Code Site Code Well No. Unit Letter S-T-R

W. KUTZ PICTURED CLIFF
Pool

was made on 01-10-92
Date

AOF Choke

OCD use only	
County	<u> Sg. </u>
Land Type	<u> S </u>
Liq. Transporter	<u> </u>

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JAN 14 1992
OIL CON. DIV. I
DIST. 3

BHP PETROLEUM (AMERICAS) INC.
Transporter

FRED Lowery
Signature of Transporter Representative

FRED LOWERY OPERATIONS SUPT.

Printed Name and Title
 (505) 327-1639
P.O. BOX 977 FARMINGTON, NM 87499

Address and Telephone Number

FILING INSTRUCTIONS:

Each transporter of gas from a prorated gas well shall submit this form in duplicate to the appropriate district office of the Division within 30 days following the connection, reconnection, or disconnection of a well from their gathering/transportation system, in accordance with Rule 1104, Rule 1135, and R-8170 as amended.

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

OIL CONSERVATION DIVISION
RECEIVED

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

**REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS**

NOV 10 1991

I.

Operator BHP PETROLEUM (AMERICAS) INC.	Well API No. 30-045-28067
Address P.O. BOX 977 FARMINGTON, NM 87499	
Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain)	
New Well <input checked="" type="checkbox"/>	Change in Transporter of:
Recompletion <input type="checkbox"/>	Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/>
Change in Operator <input type="checkbox"/>	Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>

If change of operator give name and address of previous operator _____

II. DESCRIPTION OF WELL AND LEASE

Lease Name GALLEGOS CANYON UNIT	Well No. 506	Pool Name, Including Formation W. KUTZ PICTURED CLIFFS	Kind of Lease State, Federal or Fee	Lease No. B-9145
Location Unit Letter <u>L</u> : <u>1465</u> Feet From The <u>SOUTH</u> Line and <u>1095</u> Feet From The <u>WEST</u> Line Section <u>16</u> Township <u>29N</u> Range <u>12W</u> , NMPM, SAN JUAN County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
BHP PETROLEUM (AMERICAS) INC.	P.O. BOX 977 FARMINGTON, NM 87499
If well produces oil or liquids, give location of tanks.	Unit Sec. Twp. Rge. Is gas actually connected? When ?
	NO

If this production is commingled with that from any other lease or pool, give commingling order number: _____

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
		X	X					
Date Spudded 11-13-90	Date Compl. Ready to Prod. 01-01-91	Total Depth 1745'		P.B.T.D. 1706'				
Elevations (DF, RKB, RT, GR, etc.) 5593' GR	Name of Producing Formation W. KUTZ PICTURED CLIFF	Top Oil/Gas Pay 1576'		Tubing Depth 1605'				
Perforations PRODUCING INTERVAL 1576'-1604' PERFORATIONS 1576'-1604' @ 4 JSPE						Depth Casing Shoe		
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET		SACKS CEMENT			
8-3/4"	7"	20#	143' KB		125 sxs "B" + additives			
6-1/4"	4-1/2"	10.5#	1733' KB		285 sxs 50/50 poz. & 30 sxs "B" + additives			
	2-3/8"	4.7#	1605'					

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

Date First New Oil Run To Tank	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	RECEIVED NOV 8 1991 OIL CON. DIV. DIST
Length of Test	Tubing Pressure	Casing Pressure	
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	

GAS WELL

Actual Prod. Test - MCF/D 1138	Length of Test 24 HOURS	Bbls. Condensate/MMCF 0	Gravity of Condensate N/A
Testing Method (pilot, back pr.) TEST SEPARATOR-BACK P.	Tubing Pressure (Shut-in) 341	Casing Pressure (Shut-in) 369	Choke Size 3/8"

VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

FRED LOWERY
Signature
FRED LOWERY OPERATIONS SUPT.,
Printed Name Title
11-06-91 Date 327-1639 Telephone No.

OIL CONSERVATION DIVISION

Date Approved NOV 08 1991

By [Signature]

Title SUPERVISOR DISTRICT # 3

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.

District Office

DISTRICT I CONSERVATION DIVISION
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT II
P.O. Drawer 100, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

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WELL API NO. 30-045-28067
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B-9145

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
OIL WELL GAS WELL OTHER

2. Name of Operator
BHP Petroleum (Americas) Inc.

3. Address of Operator
5847 San Felipe, Suite 3600, Houston, Texas 77057

4. Well Location
Unit Letter L : 1465 Feet From The South Line and 1095 Feet From The West Line
Section 16 Township 29N Range 12W NMPM San Juan County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
5593 GR

7. Lease Name or Unit Agreement Name
Gallegos Canyon Unit

8. Well No.
506

9. Pool name or Wildcat
W. Kutz Pictured Cliffs

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/>
	OTHER: <u>Completion History</u> <input checked="" type="checkbox"/>

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

The subject well has been completed. A daily summary of completion operations and deviation surveys are attached.

RECEIVED
APR 08 1991
OIL CON. DIV.
DIST. 3

RECEIVED
MAR 27 1991
OIL CON. DIV.
DIST. 3

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

SIGNATURE Beverly Comer TITLE Production Tech DATE March 18, 1991
TYPE OR PRINT NAME Beverly Comer TELEPHONE NO. (713) 780-5000

(This space for State Use)

APPROVED BY [Signature] TITLE SUPERVISOR DISTRICT # 3 DATE APR 08 1991

CONDITIONS OF APPROVAL, IF ANY:

BHP PETROLEUM (AMERICAS), INC.
GALLEGOS CANYON UNIT NO. 506
SEC. 16, T29N-R12W (NW/SW)
WEST KUTZ PICTURED CLIFFS FIELD
SAN JUAN COUNTY, NEW MEXICO

WELL COMPLETION HISTORY

11/16/90- Depth 1532' (736') Drill 6-1/4" hole to 1532' with one survey. Change out mud pumps. Dev 1/2° @1230'. Bit No. 2 6-1/4" Varel V517 Ser #55696 in @ 148'. Jets 1/32 2-14. WOB all, RPM 80, psi 600, SPM 60, MW 8.4, Vis 28, MW 8.4, PV/YP 5/2, Gels 0/1, WL 15, pH 8.0, Solids 3.5, tr sand. DCs 14-4-3/4". Drill 14-1/4 hrs, lub rig 1/2 hr, rep rig 9 hr, dev survey 1/4 hr. DMC: \$400 CMC: \$900 DC: \$8,292 TAC: \$26,160

11/17/90- Depth 1745'(213') Drill 6-1/4" hole to 1745'. Circ. & Cond. for logs short trip to collars. POOH to 530, & spot heavy pill of 12.5 ppg mud to surface. POOH & RU HLS. GIH w/logging tools & set down @ 808'. TIH w/drill pipe, did not touch anything. Circ. & Cond. POH to collars & spot pill. POH & GIH w/ logging tools & set dn @ 816'. TIH w/DP no problems. Circ & cond. Raise wt to 13 ppg & vis to 80. POH, GIH w/logs & tools stopped at 816'. Dev 1/2° @1230'. Bit No. 2 6-1/4" Varel V517 Ser #55696 in @ 148'out @ 1745'. Jets 1/32 2-14. WOB all, RPM 80, psi 600, SPM 60, Vis 28, MW 13.0, vis 80, PV/YP 12/5, Gels 15/8, WL 5.0, pH 9.5, Solids 5, tr sand, FC/32 2. DCs 14-4 3/4". Drill 4-3/4 hrs, cond & circ 7 hrs, trips 8 3/4 hrs, lub rig 1/2 hr, WL logs 3 hrs. DMC: \$1500 CMC: \$2400 DC: \$7,642 TAC: \$33,802

11/18/90- TD: 1745' POH w/tools. TIH & wash fm 730 to 1000'. POH break dn stacked tools & ran DIL/SP/GR logs. Log TD 1745'. GIH w/SDL/DSN/Coal, tools stopped @ 803'. POH TIH w/DP to 1000' & cond. POH & change pad on density tool. GIH & ran SDL/DSN/COAL logs. TIH w/DP & cond for csg. POH LD DP & DCs. PU ran 42 jts. 4 1/2" 10.5# J-55 8R ST&C csg. & land @ 1733' KB. RU & cmt w/285 sx lead 50/50 poz, 2% gel, 10% salt, 1/4#sx Cel Seal & 30 sx tail Class "B" 1.2% CF low fluid loss obtained full ret w/2 bbl to surf. Bump plug & float held. Dn @ 12:30 am 11/18/90. ND & jet pit. Release rig @ 4:30am 11/18/90. Dev 1/2° @ 1230'. MW 13.0, vis 80, PV/YP 12/5, Gels 15/8, WL 5.0, pH 9.5, FC/32 2, Solids 5, tr sand. DCs 14-4-3/4". Cond & Circ. 3/4 hr, trips 4 hrs, W.L. Logs 7 hrs. run csg & cmt 3 1/2 hrs, Lay DN DP 2-1/4 hrs, ND BOP and jet 4 hrs. DMC: \$3800 CMC: \$6200 DC: \$33,776 TAC: \$67,578 WOCT.

12/28/90- TD: 1745' MIRU PU 3 7/8' bit & 4 1/2" csg. Scraper on 2 3/8" tbg & tally in hole. Tag cement @ 1625" KB. RU swivel. DC: \$ 2,600 TAC: \$2,600 TAC: \$70,178 WOCT.

12/29/90- TD: 1745' PBSD 1706' Drill out cement from 1625' to 1699' KB. RD power swivel & circ hole clean w/2% KCL & additives. RU perforators & ran GR/CCL log. Perforate the Pictured Cliffs from 1576' to 1604' w/ 3 1/8" premium charged 90 deg. phased csg gun @ 4 JSPF. All shots fired, no pressure to surface. RD perforators. SDFN. DC: \$4,700 TACC: \$7,300 TAC: \$74,878

12/30/90- TD:1745' PBDT: 1706' WO frac crew. DC: \$300 TACC: \$7,600 TAC: \$75,178
12/31/90- TD:1745' PBDT: 1706' Heat frac water. DC: \$800 TACC: \$8,400 TAC: \$75,978
01/01/91- TD: 1745' PBDT: 1706' No pressure on csg. RU BJ and fracture stimulate the Pictured Cliffs dn 4-1/2" csg with 8904 gal 30# linear gel, 70 quality foam and 62,580# 20/40 mesh brady sand at 25 BPM. Inj R/A material SC46 in fluid and IR192 in proppant. Max press 1400 psi, avg 1100 psi, avg rate 25 BPM. Max sand cond 5 ppg. ISIP 1180 . Bled back for closure. 15 min 992 psi. 4 hr SICP 760 psi. Open well to frac tank on 3/8" pos choke. TBLR 0 BLTR 212 Days 5 DC: \$26,800 TACC: \$35,200 TAC: \$102,778
01/02/91- TD: 1745' PBDT: 1706' Perfs 1576-1604'. 14 hour flowing on a 3/8" pos choke. FCP 312 psi. Recovered 84 bbl load with an est gas rate of 500 MCF/D. TBLR 84 BLTR 128 Days 6 DC: \$800 TACC: \$36,000 TAC: \$103,578
01/03/91- TD: 1745' PBDT: 1706' Perfs 1576-1604'. 24 hour flowing on a 3/8" pos choke. FCP 280 psi. Recovered 43 bbl load with an est gas rate of 400 MCF/D. TBLR 127 BLTR 85 Days 7 DC: \$300 TACC: \$36,300 TAC: \$103,878
01/04/91- TD: 1745' PBDT: 1706' Perfs 1576-1604'. 24 hour flowing on a 3/8" pos choke. FCP 270 psi. Recovered 40 bbl load with an est gas rate of 380 MCF/D. MIRU and kill well with 25 bbl 2% KCL & additives and TIH w/tbg. Tag sand at 1582'. Circulate and clean out to PBDT. POH RU HLS and ran a tracer check log from 1694' to 1500'. TIH with 51 jts 2-3/8" 4.7# J-55 8R EUE tbg and land at 1605' KB with S.N. at 1572' KB. ND BOPE NU Well head. RU and swab back 10 bbl and well kicked off flowing. Left well flowing on a 3/8" pos choke. TBLR 177 BLTR 60 Days 8 DC: \$10,300 TACC: \$46,600 TAC: \$114,178
01/05/91- TD: 1745' PBDT: 1706' Perfs 1576-1604' Well dead. Swab back 12 bbl and well kicked off flowing. Flow well on a 3/8" pos choke for 3 hours and set test separator. Flowing well through test separator. TBLR 197 BLTR 40 Days 9 DC: \$1,800 TACC: \$48,400 TAC: \$115,978
01/06/91- TD: 1745: PBDT: 1706' Perfs 1576-1604'. 21 hours flowing well through test separator with a 2" meter run. FTP 155 psi, csg 300 psi. Recovered 25 bbl load w/ a gas rate of 1314 MCF/D. TBLR 222 BLTR 15 Days 10 DC: \$0 TACC: \$48,400 TAC: \$115,978
01/07/91- TD: 1745: PBDT: 1706' Perfs 1576-1604'. 21 hours flowing well through test separator with a 2" meter run. FTP 145 psi, csg 270 psi. Recovered 33 bbl load w/ a gas rate of 1290 MCF/D. TBLR 255 BLTR +18 Days 11 DC: \$0 TACC: \$48,400 TAC: \$115,978
01/08/91- TD: 1745: PBDT: 1706' Perfs 1576-1604'. 24 hours flowing well through test separator with a 2" meter run. FTP 160 psi, csg 262 psi. Recovered 34 bbl load w/ a gas rate of 1213 MCF/D. TBLR 289 BLTR +52 Days 12 DC: \$0 TACC: \$48,400 TAC: \$115,978
01/09/91- TD: 1745: PBDT: 1706' Perfs 1576-1604'. 24 hours flowing well through test separator with a 2" meter run. FTP 165 psi, csg 262 psi. Recovered 27 bbl load w/ a gas rate of 1138 MCF/D. TBLR 316 BLTR +79 Days 13 DC: \$800 TACC: \$49,200 TAC: \$116,778
01/10/91- TD: 1745: PBDT: 1706' Perfs 1576-1604'. 24 hours SITP 340 psi, SICP 360 psi. TBLR 316 BLTR +79 Days 14 DC: \$0 TACC: \$49,200 TAC: \$116,778 **FINAL REPORT.**

Submit to Appropriate District Office
 State Lease - 6 copies
 Fee Lease - 3 copies
 DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-105
 Revised 1-1-89

OIL CONSERVATION DIVISION

Santa Fe, New Mexico

RECEIVED
 MAR 27 1991

WELL API NO.
 30-045-28067

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.
 B-9145

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:
 OIL WELL GAS WELL DRY OTHER **DIST. 3**

b. Type of Completion:
 NEW WELL WORK OVER DEEPEN PLUG BACK DIFF RESVR OTHER

2. Name of Operator
 BHP Petroleum (Americas) Inc.

3. Address of Operator
 5847 San Felipe, Suite 3600, Houston, Texas 77057

7. Lease Name or Unit Agreement Name
 Gallegos Canyon Unit

8. Well No.
 506

9. Pool name or Wildcat
 W. Kutz Pictured Cliffs

4. Well Location
 Unit Letter L : 1465 Feet From The South Line and 1095 Feet From The West Line
 Section 16 Township 29N Range 12W NMPM San Juan County

10. Date Spudded
 11/13/90

11. Date T.D. Reached
 11/17/90

12. Date Compl. (Ready to Prod.)
 1/1/91

13. Elevations (DF & RKB, RT, GR, etc.)
 5593' GR

14. Elev. Casinghead
 5593'

15. Total Depth
 1745'

16. Plug Back T.D.
 1706'

17. If Multiple Compl. How Many Zones?
 N/A

18. Intervals Drilled By
 Rotary Tools: 0-TD
 Cable Tools: 0

19. Producing Interval(s), of this completion - Top, Bottom, Name
 W. Kutz Pictured Cliffs 1576' - 1604'

20. Was Directional Survey Made
 Yes

21. Type Electric and Other Logs Run
 SDL/DSN/Coal Logs

22. Was Well Cored
 No

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
7"	20#	143' KB	8-3/4"	125 sx (1475 cu ft) "B" w/2% CaCl & 1/2 #sx Cello Seal	-0-
4-1/2"	10.5#	1733' KB	6-1/4"	285 sx (359 cu ft) 50/50 poz. 2% gel, 10% salt & 1/2 # sx Cello Seal 30	-0-

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
N/A					2-3/8"	1605'	None

26. Perforation record (interval, size, and number)
 1576 - 1604' @ 4 JSPF (112 holes at .35" dia.)

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.
 DEPTH INTERVAL: 1576 - 1604'
 AMOUNT AND KIND MATERIAL USED: Frac w/32M gal of 70Q N2 foam & 62,580# 20/40 sand.

28. PRODUCTION

Date First Production
 WOPLC

Production Method (Flowing, gas lift, pumping - Size and type pump)
 Flowing

Well Status (Prod. or Shut-in)
 SI

Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl.	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
1/09/91	24	3/8"		N/A	1138	27	N/A

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)
165	262		N/A	1138	27	N/A

29. Disposition of Gas (Sold, used for fuel, vented, etc.)
 venting

Test Witnessed By
 Fred Lowery

30. List Attachments

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature Beverly Comer Printed Name Beverly Comer Title Production Tech Date 3/19/91

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

Northwestern New Mexico

T. Anhy _____	T. Canyon _____	T. Ojo Alamo <u>135'</u>	T. Penn. "B" _____
T. Salt _____	T. Strawn _____	T. Kirtland-Fruitland <u>307'</u>	T. Penn. "C" _____
B. Salt _____	T. Atoka _____	T. Pictured Cliffs <u>1576'</u>	T. Penn. "D" _____
T. Yates _____	T. Miss _____	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen _____	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg _____	T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres _____	T. Simpson _____	T. Gallup _____	T. Ignacio Otzte _____
T. Glorieta _____	T. McKee _____	Base Greenhorn _____	T. Granite _____
T. Paddock _____	T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinebry _____	T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb _____	T. Delaware Sand _____	T. Todilto _____	T. _____
T. Drinkard _____	T. Bone Springs _____	T. Entrada _____	T. _____
T. Abo _____	T. _____	T. Wingate _____	T. _____
T. Wolfcamp _____	T. _____	T. Chinle _____	T. _____
T. Penn _____	T. _____	T. Permian _____	T. _____
T. Cisco (Bough C) _____	T. _____	T. Penn "A" _____	T. _____

OIL OR GAS SANDS OR ZONES

No. 1, from 1543' to 1575.75' No. 3, from _____ to _____
 No. 2, from 1576' to 1604' No. 4, from _____ to _____

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.
 No. 1, from _____ to _____ feet.
 No. 2, from _____ to _____ feet.
 No. 3, from _____ to _____ feet.

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology	From	To	Thickness in Feet	Lithology
			No samples or DST's were taken				

Submit 3 Copies to Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION Santa Fe, New Mexico 87504-2088

WELL API NO. 30-045-28067
5. Indicate Type of Lease STATE [X] FEE []
6. State Oil & Gas Lease No. B-9145
7. Lease Name or Unit Agreement Name Gallegos Canyon Unit
8. Well No. 506
9. Pool name or Wildcat W. Kutz Pictured Cliffs

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: OIL WELL [] GAS WELL [X] OTHER []
2. Name of Operator BHP Petroleum (Americas), Inc.
3. Address of Operator 5847 San Felipe, Suite 3600 Houston, TX 77057

4. Well Location Unit Letter L : 1465 Feet From The South Line and 1095 Feet From The West Line
Section 16 Township 29N Range 12W NMPM San Juan County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 5593' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data
NOTICE OF INTENTION TO:
PERFORM REMEDIAL WORK [] PLUG AND ABANDON []
TEMPORARILY ABANDON [] CHANGE PLANS []
PULL OR ALTER CASING []
OTHER: []
SUBSEQUENT REPORT OF:
REMEDIAL WORK [] ALTERING CASING []
COMMENCE DRILLING OPNS. [] PLUG AND ABANDONMENT []
CASING TEST AND CEMENT JOB []
OTHER: Well History [X]

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.
Spud well @ 5:30 pm on 11/13/90. Drld 8-3/4" hole to 148' KB. Ran 3 jts 7" 20# K-55 8R ST&C csg & landed @ 143' KB. Cmt w/125 sxs (147.50 cu ft) Class "B" w/2% CaCl & 1/4# sx Cello seal. Full returns w/7 bbls cmt circ to surf. WOC. NU BOP. Test csg & blind rams to 2,000 psi. Drld 6-1/4" hole to 1745'. POOH. Ran DIL/SP/GR/SDL/DSN/Coal logs. Ran 42 jts 4-1/2" 10:5# J-55 8R ST&C csg. Landed @ 1733' KB. Cmt w/285 sxs (359 cu ft) lead, 50/50 Poz, 2% gel, 10% salt & 1/4# sx Cello seal. Tail w/30 sxs (35 cu ft) Class "B", 1.2% CF. Full ret w/2 bbls to surf. Rel rig @ 4:30 am on 11/18/90.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.
SIGNATURE Beverly Comer TITLE Production Technician DATE 11/29/90
TYPE OR PRINT NAME Beverly Comer TELEPHONE NO. 713/780-5000

(This space for State Use)
APPROVED BY [Signature] TITLE SUPERVISOR DISTRICT # 3 DATE DEC 06 1990
CONDITIONS OF APPROVAL, IF ANY:

Submit to Appropriate District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION
RECEIVED
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

30 AUG 13 AM 9 20

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

API NO. (assigned by OCD on New Wells) <i>30-045-28067</i>
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B-9145

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK					
1a. Type of Work: DRILL <input checked="" type="checkbox"/> RE-ENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>				7. Lease Name or Unit Agreement Name Gallegos Canyon Unit	
b. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>					
2. Name of Operator BHP Petroleum (Americas) Inc.				8. Well No. 506 <i>160</i>	
3. Address of Operator 5847 San Felipe Ste 3600 Houston TX 77057-3005				9. Pool name or Wildcat W. Kutz Pictured Cliffs <i>EXT</i>	
4. Well Location Unit Letter <u>L</u> : <u>1465</u> Feet From The <u>South</u> Line and <u>1095</u> Feet From The <u>West</u> Line Section <u>16</u> Township <u>29N</u> Range <u>12W</u> NMPM <u>San Juan</u> County					
		10. Proposed Depth 1721'		11. Formation Pictured Cliffs	12. Rotary or C.T. Rotary
13. Elevations (Show whether DF, RT, GR, etc.) 5593' GR		14. Kind & Status Plug. Bond Blanket	15. Drilling Contractor Unknown		16. Approx. Date Work will start Fall 1990
17. PROPOSED CASING AND CEMENT PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
8 3/4"	7"	20#	±130'	50 sx (57.5 cu.ft.)	surf
6 1/4"	4 1/2"	10.5#	±1721'	216 sx (267 cu.ft.)	surf

It is proposed to drill the subject well to 1721' with primary production anticipated in the Pictured Cliffs.

Estimated formation tops:
Ojo Alamo 202'
Kirtland 296'
Fruitland 1300'
Basal Fruitland 1534'
Pictured Cliffs 1571'
TD 1721'

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AUG 2 1990
OIL CON. DIV.
DIST. 3

BOPE will consist of 2,000# Reagen Bladder type B.O.P., pipe rams & blind ram B.O.P.

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.

SIGNATURE Chuck Williams TITLE Field Services Administrator DATE 7/26/90
TYPE OR PRINT NAME Chuck Williams TELEPHONE NO. (713) 780-5448

(This space for State Use)

APPROVED BY Eric Busch DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE 8-7-90
AUG 03 1990

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL EXPIRES 2-3-91
UNLESS DRILLING IS COMMENCED.
SPUD NOTICE MUST BE SUBMITTED
WITHIN 10 DAYS.

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

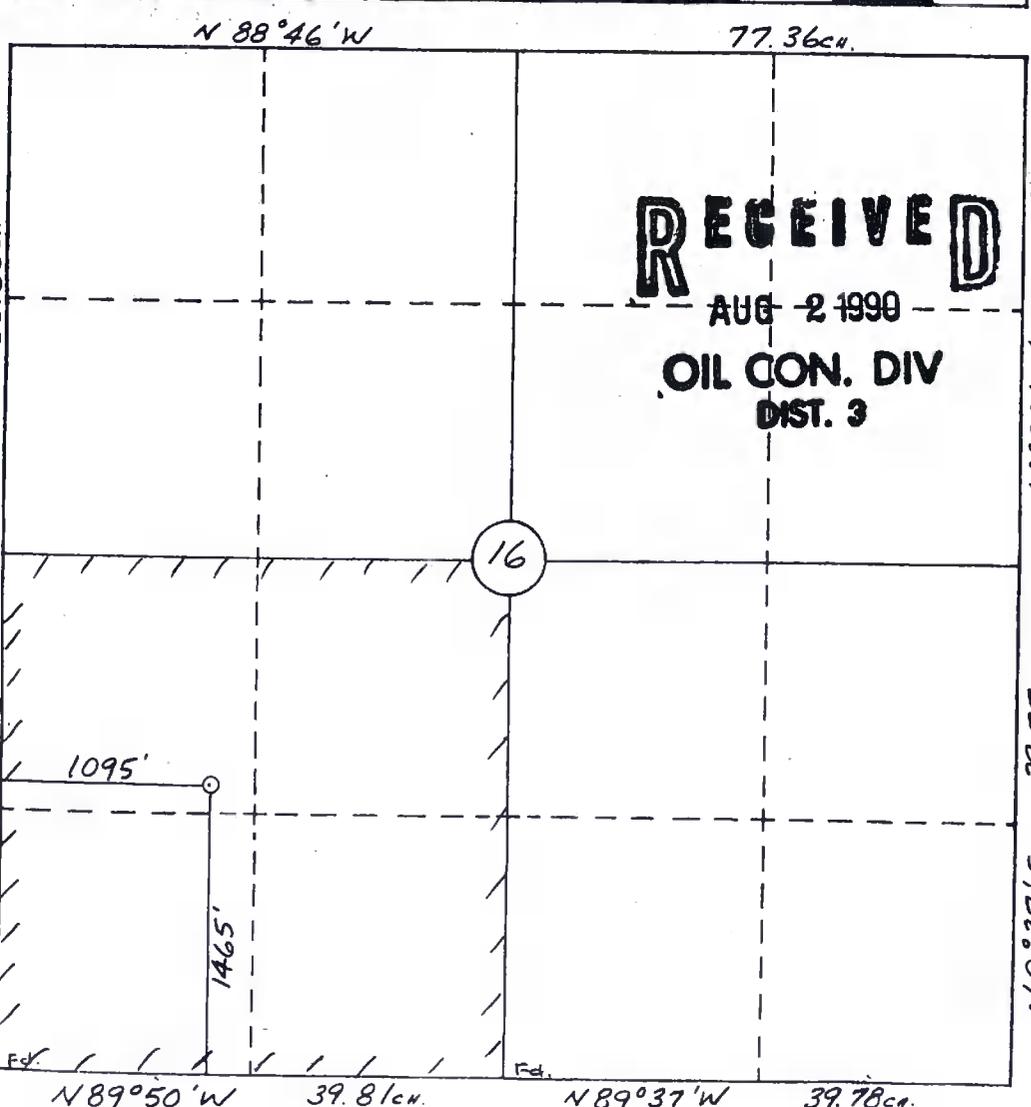
All Distances must be from the outer boundaries of the section

Operator BHP PETROLEUM (AMERICAS) INC.			Lease GALLEGOS CANYON UNIT			Well No. 506		
Unit Letter L	Section 16	Township 29 N	Range 12 W	County San Juan				
Actual Footage Location of Well: 1465 feet from the South line and 1095 feet from the West line								
Ground level Elev. 5593	Producing Formation Pictured Cliffs			Pool W. Kutz Pictured Cliffs	Dedicated Acreage: 160 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 interest 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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

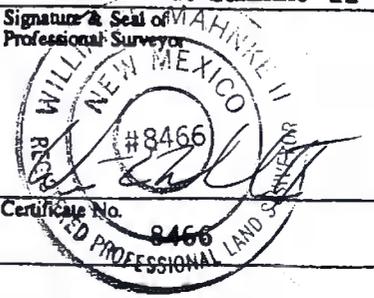
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Chuck Williams*
 Printed Name: **Chuck Williams**
 Position: **Field Services Administrator**
 Company: **BHP Petroleum (Americas) Inc.**
 Date: **July 26, 1990**

SURVEYOR CERTIFICATION

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: **7-2-90**
 Surveyor: **William B. Mahanke II**
 Signature & Seal of Professional Surveyor: *William B. Mahanke II*
 Certificate No.: **8466**



BHP PETROLEUM (AMERICAS) INC.
GALLEGOS CANYON UNIT NO. 506
 1465' FSL & 1095' FWL SECTION 16 T29N-R12W
 SAN JUAN COUNTY, NEW MEXICO
TEN POINT PROGRAM

1. Surface Formation: Nacimiento or valley fill

2 &

3. Estimated Formation Tops:

<u>Formation</u>	<u>Top</u>	<u>Expected Production</u>
Ojo Alamo	202	
Kirtland	296	
Fruitland	1300	
Basal Fruitland Coal	1534	Gas
Pictured Cliffs	1571	Gas
Total Depth	1721	

4. Casing and Cementing Program: A string of 7" 20# K-55 casing with ST&C couplings is to be set at ±130' in an 8 3/4" hole and cemented to the surface in a single stage with 50 sx Class 'H' cement (yield = 1.15 ft³/sx) containing 3 % CaCl₂ and ¼ #/sx celloflake. Slurry volume assumes a 100 percent excess over calculated hole volume. Centralizers will be run on the bottom two joints as long as boulders are not encountered while drilling the surface hole. If boulders are encountered while drilling the surface hole, no centralizers will be run as it has been BHP P(A)'s experience centralizers have a tendency to knock off boulders and hang up the casing while running in the hole. Minimum clearance between collars and hole is 1.094". Prior to drilling out shoe, casing and BOPE will be tested to a minimum of 2000 psi. Safety factors utilized in the design of this casing string were: Burst = 1.1, Collapse = 1.125, and Tension = 1.8 or 100,000# overpull whichever was greater.

A production string of 4½" 10.5# K-55 casing with ST&C couplings will be run from the surface to total depth in a 6¼" hole. This string will be cemented to the surface with a minimum of 166 sx of 50-50 pozmix containing 2 % gel, 0.5 % fluid loss additive and ¼ #/sx celloflake (yield = 1.26 ft³/sx) followed by 50 sx of Class 'G' cement containing low fluid loss additives (yield = 1.15 ft³/sx). Slurry volume assumes a 50 percent excess over calculated hole volume. Cement volume is subject to change after review and recalculation of

hole volume from the open hole calipers. Centralizers will be spaced such that a minimum of two are located above and two are located below the Basal Fruitland Coal; and, a minimum of one centralizer will be run just below the base and another into the base of Ojo Alamo. Minimum clearance between collars and hole is 1.25". Prior to perforating the casing for any attempted completion, the casing will be tested to a minimum of 2500 psi. Safety factors utilized in the design of this casing string were: Burst = 1.1, Collapse = 1.125, and Tension = 1.8 or 100,000# overpull whichever was greater.

A chronological log following the completion of the cementing operations detailing the pump rate, pump pressure, slurry density, and slurry volume for each job will be submitted in a Sundry Notice.

5. **Pressure Control Equipment:** (See attached schematic diagrams) A minimum of a 2M BOPE well control system will be utilized. BOP's and choke manifold will be installed and pressure tested before drilling out under surface casing and then will be checked daily as to mechanical operation condition. Ram type preventors will be tested to 70 percent of the internal yield pressure of the casing. The annular preventor will be tested to 50 percent of its working pressure.

A full opening internal blowout preventor or drill pipe safety valve will be on the drilling floor at all times and will be capable of fitting all connections.

6. **Mud Program:** A fresh water Low Solids, Non-Dispersed mud system will be used to drill this well. Sufficient materials will be on location at all times to maintain mud properties and to control any unforeseen lost circulation problems or abnormal pressures in the Farmington Sands of the Kirtland Formation. All drilling fluids will be contained in a steel pit. At the completion of drilling, the drilling fluid will be hauled off to be used for another well. The remaining accumulation of solids in the pit will be dumped into a small earthen pit beside the steel pit. As soon as this pit dries up, it will be covered up.

Mud program summary is as follows:

<u>Interval</u> <u>(feet)</u>	<u>Mud Weight</u> <u>(#/gal)</u>	<u>Viscosity</u> <u>(sec/qt)</u>
0 - 1000	8.4 or less	30 - 38
1000 - TD	9.3 or less	40 - 55

7. **Auxiliary Equipment:** An upper Kelly Cock will be utilized. At a minimum, a flow sensor will be installed in the system and the mud volume constantly be visually monitored.

8. **Logging Program:** SP-DIL and GR-FDC-CNL logs will be run from TD to surface casing shoe.

Coring Program: No cores are planned.

Testing Program: No tests are planned.

Stimulation Program: Perf the Basal Fruitland Coal with 2 JSPF and frac with 50,000 gals of either a 70 quality nitrogen foam or a crosslinked-gelled water containing a minimum of 50,000 lbs of 20-40 mesh sand.

9. **Abnormal Pressure:** Although not expected, abnormal pressures are possible in the Farmington Sands of the Kirtland Formation.

Estimated Bottom Hole Pressure: 400 psi.

10. **Anticipated Starting Date:** As soon as all required approvals are received.

Duration of Operation: It is anticipated a total of 4 days will be required for drilling operations and 5 days for completion operations.

CMD :
OG5SECTONGARD
INQUIRE LAND BY SECTION11/18/02 16:49:27
OGOMES -TPGA
PAGE NO: 1

Sec : 16 Twp : 29N Rng : 12W Section Type : NORMAL

D 40.00 CS E02447 0008 FOUR STAR OIL & G C 02/10/59 A	C 40.00 CS E02447 0008 FOUR STAR OIL & G C 02/10/59	B 40.00 CS E09229 0004 MERIDIAN OIL, INC C 07/19/65 A	A 40.00 CS B11303 0016 BENSON MONTIN GRE C 06/10/54 A
E 40.00 CS E09229 0004 MERIDIAN OIL, INC C 07/19/65	F 40.00 CS E03149 0011 FOUR STAR OIL & G C 12/10/59	G 40.00 CS B10870 0020 BENSON MONTIN GRE C 12/10/53	H 40.00 CS E09229 0004 MERIDIAN OIL, INC C 07/19/65 A

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

CMD :
OG5SECTONGARD
INQUIRE LAND BY SECTION11/18/02 16:49:31
OGOMES -TPGA
PAGE NO: 2

Sec : 16 Twp : 29N Rng : 12W Section Type : NORMAL

L 40.00 CS B09145 0035 BP AMERICA PRODUC C U 05/15/51 A A	K 40.00 CS E02447 0008 FOUR STAR OIL & G C U 02/10/59 A	J 40.00 CS E09229 0004 MERIDIAN OIL, INC C 07/19/65	I 40.00 CS E02447 0008 FOUR STAR OIL & G C 02/10/59
M 40.00 CS E00498 0013 GLACIER PARK COMP C U 08/10/55	N 40.00 CS B10870 0019 GLACIER PARK COMP C U 12/10/53	O 40.00 CS E09229 0004 MERIDIAN OIL, INC C 07/19/65	P 40.00 CS E09229 0004 MERIDIAN OIL, INC C 07/19/65

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

CMD :
OG6IWCM

ONGARD
INQUIRE WELL COMPLETIONS

11/18/02 16:49:49
OGOMES -TPGA

API Well No : 30 45 28067 Eff Date : 05-01-1996 WC Status : A
Pool Idn : 79680 KUTZ PICTURED CLIFFS, WEST (GAS)
OGRID Idn : 778 BP AMERICA PRODUCTION COMPANY
Prop Idn : 570 GALLEGOS CANYON UNIT

Well No : 506
GL Elevation: 5593

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
B.H. Locn	: L	16	29N	12W	FTG 1465 F S	FTG 1095 F W	P

Lot Identifier:
Dedicated Acre: 160.00
Lease Type : S
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) : U

M0025: Enter PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 PF08 PF09 PF10 NEXT-WC PF11 HISTORY PF12 NXTREC

CMD : ONGARD 11/18/02 16:50:02
 OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPGA
 Page No: 1

OGRID Identifier : 778 BP AMERICA PRODUCTION COMPANY
 Pool Identifier : 79680 KUTZ PICTURED CLIFFS, WEST (GAS)
 API Well No : 30 45 28067 Report Period - From : 01 1993 To : 10 2002

API Well No	Property Name	Prodn. Days		Production Volumes			Well Stat
		MM/YY	Prod	Gas	Oil	Water	
30 45 28067	GALLEGOS CANYON UNIT	05 93		5145		53	
30 45 28067	GALLEGOS CANYON UNIT	05 96	31	5145		53	F
30 45 28067	GALLEGOS CANYON UNIT	06 96	30	5471		98	
30 45 28067	GALLEGOS CANYON UNIT	07 96	31	6194		101	F
30 45 28067	GALLEGOS CANYON UNIT	08 96	31	5627		130	F
30 45 28067	GALLEGOS CANYON UNIT	09 96	30	6460		125	F
30 45 28067	GALLEGOS CANYON UNIT	10 96	31	5593		104	F

Reporting Period Total (Gas, Oil) :

M0025: Enter PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
 PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 11/18/02 16:50:06
 OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPGA
 Page No: 2

OGRID Identifier : 778 BP AMERICA PRODUCTION COMPANY
 Pool Identifier : 79680 KUTZ PICTURED CLIFFS, WEST (GAS)
 API Well No : 30 45 28067 Report Period - From : 01 1993 To : 10 2002

API Well No	Property Name	Prod. Days		Production Volumes			Well Stat
		MM/YY	Prod	Gas	Oil	Water	
30 45 28067	GALLEGOS CANYON UNIT	11 96	30	4993		114	F
30 45 28067	GALLEGOS CANYON UNIT	12 96	31	6082		86	F
30 45 28067	GALLEGOS CANYON UNIT	01 97	31	6149		99	F
30 45 28067	GALLEGOS CANYON UNIT	02 97	28	6030		154	F
30 45 28067	GALLEGOS CANYON UNIT	03 97	31	6506		172	F
30 45 28067	GALLEGOS CANYON UNIT	04 97	30	4117		146	F
30 45 28067	GALLEGOS CANYON UNIT	05 97	31	4325		100	F

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
 PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 11/18/02 16:50:07
 OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPGA
 Page No: 3

OGRID Identifier : 778 BP AMERICA PRODUCTION COMPANY
 Pool Identifier : 79680 KUTZ PICTURED CLIFFS, WEST (GAS)
 API Well No : 30 45 28067 Report Period - From : 01 1993 To : 10 2002

API Well No	Property Name	Prodn. MM/YY	Days Prod	Production Gas	Oil	Water	Well Stat
30 45 28067	GALLEGOS CANYON UNIT	06 97	30	4025		79	F
30 45 28067	GALLEGOS CANYON UNIT	07 97	31	3686		108	F
30 45 28067	GALLEGOS CANYON UNIT	08 97	31	3244		55	F
30 45 28067	GALLEGOS CANYON UNIT	09 97	30	1773		101	F
30 45 28067	GALLEGOS CANYON UNIT	10 97	31	3485		152	F
30 45 28067	GALLEGOS CANYON UNIT	11 97	30	3076		109	F
30 45 28067	GALLEGOS CANYON UNIT	12 97	31	4314		201	F

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
 PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 11/18/02 16:50:08
 OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPGA
 Page No: 4

OGRID Identifier : 778 BP AMERICA PRODUCTION COMPANY
 Pool Identifier : 79680 KUTZ PICTURED CLIFFS, WEST (GAS)
 API Well No : 30 45 28067 Report Period - From : 01 1993 To : 10 2002

API Well No	Property Name	Prodn. MM/YY	Days Prod	Production Volumes			Well Stat
				Gas	Oil	Water	
30 45 28067	GALLEGOS CANYON UNIT	01 98	31	4587		317	F
30 45 28067	GALLEGOS CANYON UNIT	02 98	28	3347		215	F
30 45 28067	GALLEGOS CANYON UNIT	03 98	31	4069		265	F
30 45 28067	GALLEGOS CANYON UNIT	04 98	30	3978		299	F
30 45 28067	GALLEGOS CANYON UNIT	05 98	31	3734		187	F
30 45 28067	GALLEGOS CANYON UNIT	06 98	30	3543		223	F
30 45 28067	GALLEGOS CANYON UNIT	07 98	31	3438		188	F

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
 PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 11/18/02 16:50:10
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPGA
Page No: 6

OGRID Identifier : 778 BP AMERICA PRODUCTION COMPANY
Pool Identifier : 79680 KUTZ PICTURED CLIFFS, WEST (GAS)
API Well No : 30 45 28067 Report Period - From : 01 1993 To : 10 2002

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 45 28067	GALLEGOS CANYON UNIT	03 99 31	1297	155 F
30 45 28067	GALLEGOS CANYON UNIT	04 99 30	1598	227 F
30 45 28067	GALLEGOS CANYON UNIT	05 99 31	287	140 F
30 45 28067	GALLEGOS CANYON UNIT	06 99 30		165 F
30 45 28067	GALLEGOS CANYON UNIT	07 99 19		87 F
30 45 28067	GALLEGOS CANYON UNIT	08 99 31	1745	368 F
30 45 28067	GALLEGOS CANYON UNIT	09 99 30	1341	199 F

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 11/18/02 16:50:12
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPGA
Page No: 7

OGRID Identifier : 778 BP AMERICA PRODUCTION COMPANY
Pool Identifier : 79680 KUTZ PICTURED CLIFFS, WEST (GAS)
API Well No : 30 45 28067 Report Period - From : 01 1993 To : 10 2002

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 45 28067	GALLEGOS CANYON UNIT	10 99 31	1021	185 F
30 45 28067	GALLEGOS CANYON UNIT	11 99 30	1360	180 F
30 45 28067	GALLEGOS CANYON UNIT	12 99 31	122	161 F
30 45 28067	GALLEGOS CANYON UNIT	01 00 31		207 F
30 45 28067	GALLEGOS CANYON UNIT	02 00 29	367	274 F
30 45 28067	GALLEGOS CANYON UNIT	03 00 31	1537	255 F
30 45 28067	GALLEGOS CANYON UNIT	04 00 30	688	220 F

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 11/18/02 16:50:16
 OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPGA
 Page No: 10

OGRID Identifier : 778 BP AMERICA PRODUCTION COMPANY
 Pool Identifier : 79680 KUTZ PICTURED CLIFFS, WEST (GAS)
 API Well No : 30 45 28067 Report Period - From : 01 1993 To : 10 2002

API Well No	Property Name	Prod. Days MM/YY Prod	Production Volumes			Well Water Stat
			Gas	Oil		
30 45 28067	GALLEGOS CANYON UNIT	07 01 31	2591		128	F
30 45 28067	GALLEGOS CANYON UNIT	08 01 31	2989		148	F
30 45 28067	GALLEGOS CANYON UNIT	09 01 30	2818		156	F
30 45 28067	GALLEGOS CANYON UNIT	10 01 31	3088		152	F
30 45 28067	GALLEGOS CANYON UNIT	11 01 30	2877		108	F
30 45 28067	GALLEGOS CANYON UNIT	12 01 31	3147		134	F
30 45 28067	GALLEGOS CANYON UNIT	01 02 31	3168		109	F

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
 PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 11/18/02 16:50:17
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPGA
Page No: 11

OGRID Identifier : 778 BP AMERICA PRODUCTION COMPANY
Pool Identifier : 79680 KUTZ PICTURED CLIFFS, WEST (GAS)
API Well No : 30 45 28067 Report Period - From : 01 1993 To : 10 2002

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 45 28067	GALLEGOS CANYON UNIT	02 02 28	2565	107 F
30 45 28067	GALLEGOS CANYON UNIT	03 02 31	2132	115 F
30 45 28067	GALLEGOS CANYON UNIT	04 02 30	1663	129 F
30 45 28067	GALLEGOS CANYON UNIT	05 02 31	2734	116 F
30 45 28067	GALLEGOS CANYON UNIT	06 02 30	2266	69 F
30 45 28067	GALLEGOS CANYON UNIT	07 02 31	1994	72 F
30 45 28067	GALLEGOS CANYON UNIT	08 02 29	2153	118 F

Reporting Period Total (Gas, Oil) : 242047 11837

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

New Mexico State Office

1474 Rodeo Rd.

P.O. Box 27115

Santa Fe, New Mexico 87502-0115

IN REPLY REFER TO:
3160 (921)

NGPA Location: 435 Montano Road NE, Albuquerque, NM 87107-4935

CERTIFIED MAIL NO. P 071 878 832
RETURN RECEIPT REQUESTED

September 10, 1993

Marilyn L. Rand, Director
Division of Producer Regulation
Federal Energy Regulatory Commission
825 North Capitol Street NE
Washington, DC 20426

Dear Ms. Rand:

This jurisdictional agency hereby designates the Pictured Cliffs formation underlying the following described lands in the Loe Area Fulcher-Kutz Pictured Cliffs Pool located in San Juan County, New Mexico, as a tight formation, assigned BLM Docket No. NM-1817-92, under Section 107 of the NGPA:

Township 29 North, Range 12 West, NMPM

Sections 15, 16, and 23: All

The total area encompasses 1,902 acres, more or less, consisting of 12.6% Fee, 33.6% State, and 53.8% Federal Lands.

A copy of this designation is being furnished to the New Mexico Oil Conservation Division.

The applicant is Texaco Exploration and Production Inc., 3300 North Butler, Farmington, New Mexico 87401. The application was prepared by Rose Exploration Inc., 518 17th Street, Suite 740, Denver, Colorado 80202.

Existing Federal and State of New Mexico Regulations administered by the U.S. Bureau of Land Management and the New Mexico Oil Conservation Division relating to drilling, casing, and cementing of wells are in effect to help assure that development of the Pictured Cliffs formation will not adversely affect or impair any fresh water aquifers.

The estimated average in-situ gas permeability, throughout the pay section, is expected to be 0.1 millidarcy or less.

The stabilized production rate, against atmospheric pressure, of wells completed for production in the Pictured Cliffs formation, without stimulation, is not expected to exceed the maximum production rate contained in the FERC tight formation guidelines.

No well drilled into the designated tight formation is expected to produce, without stimulation, more than five barrels of crude oil per day.

The formation or any portion thereof has not been authorized to be developed by infill drilling.

The applicant does not seek to qualify gas produced from the tight formation for the incentive price.

Evidence was presented by the applicant to the BLM and the New Mexico Oil Conservation Division. The exhibits and other documentation discussed are enclosed. The BLM Tight Formation Review Report (Engineering and Geological) consisting of 3 pages and 34 pages of exhibits is enclosed.

Included with this designation is a letter dated September 7, 1993, from the Chief Hearing Officer/Engineer, New Mexico Oil Conservation Division signifying their concurrence with this designation.

It is requested that this jurisdictional agency be advised in writing when the 45 day review period will end and the appropriate FERC State No. (NM-__) assigned to this tight formation be included.

Persons objecting to this determination may file a protest directly with the Federal Energy Regulatory Commission, in accordance with 18 CFR Part 275.203 and 275.204, within 20 days after the notice is published in the Federal Register by the FERC.

If you have any questions please contact Allen F. Buckingham (505) 761-8765 or FAX (505) 761-8911.

Sincerely yours,

Allen F. Buckingham
for Deputy State Director
Lands and Minerals

Enclosures

- cc:
- Texaco E&P Inc., Farmington (Ted A. Tipton) (w/BLM Report)
- Texaco E&P Inc., Houston (Julie Gibbs)
- Rose Exploration Inc. (Mike Wynne) (w/BLM Report)
- New Mexico Oil Conservation Div. (Michael Stogner) (w/BLM Report)
- WO-610 (Donnie Shaw)
- NM-921 (Steve Salzman)
- NM-011 (Tom Hewitt/NGPA Liaison)

RECEIVED
CONSERVATION DIVISION
SEP 14 11 08 44



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

September 7, 1993

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

ANITA LOCKWOOD
CABINET SECRETARY

Allen F. Buckingham
U.S. Bureau of Land Management
Albuquerque District Office
435 Montano, N.E.
Albuquerque, New Mexico 87107

Dear Mr. Buckingham:

Enclosed are two signed original letters of concurrence for Texaco Exploration and Production Inc.'s Pictured Cliffs tight formation area designated the "Loe (Pictured Cliffs) Area" underlying the following described lands in San Juan County, New Mexico:

TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM

Sections 15 and 16:	All
Section 23:	All

Please submit one copy to Ms. Marilyn L. Rand along with your determination to the FERC.

Should you have any questions or require additional information, please contact me at (505) 827-5811.

Sincerely,

MICHAEL E. STOGNER
Chief Hearing Officer/Engineer

MES/ms



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

September 7, 1993

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Marilyn L. Rand, Director
Division of Producer Regulation
Federal Energy Regulatory Commission
825 N. Capitol Street, N.E.
Washington, DC 20426

Allen F. Buckingham
U.S. Bureau of Land Management
Albuquerque District Office
435 Montano, N.E.
Albuquerque, New Mexico 87107

Dear Ms. Rand and Mr. Buckingham:

This letter is to be included with the submission of the U.S. Bureau of Land Management (USBLM) designation, assigned Docket No. NM-1817-92, to the Federal Energy Regulatory Commission (FERC). Said designation is for a "tight formation" in the State of New Mexico. The formation referred to is the Pictured Cliffs formation in portions of the designated and Undesignated West Kutz-Pictured Cliffs Pool and the designated and Undesignated Fulcher Kutz-Pictured Cliffs Pool herein designated the "Loe (Pictured Cliffs) Area" comprising 1,902 acres, more or less, (53.8% federal, 33.6% state, and 12.6% fee) all in San Juan County, New Mexico.

The New Mexico Oil Conservation Division as the jurisdictional agency over such matters on State and Fee lands in New Mexico has received and reviewed the copies of the application and supporting geological and technical data submitted by the applicant in this matter, Texaco Exploration and Production, Inc. Further, this jurisdictional agency concurs with the USBLMs findings and hereby supports the designation of said area as a recognized "tight formation" under Section 107 of the Natural Gas Policy Act of 1978.

Marilyn L. Rand, Director
Allen F. Buckingham
September 7, 1993
Page 2

Should you have any questions or require additional information from the Division, please contact me at (505) 827-5811.

Sincerely,

A handwritten signature in cursive script, appearing to read "Michael E. Stogner".

MICHAEL E. STOGNER
Chief Hearing Officer/Engineer

MES/ms

cc: Oil Conservation Division - Aztec
Texaco Exploration & Production, Inc. - Midland, TX (J. Gibbs)
U.S. Bureau of Land Management - Santa Fe (Steve Salzman)
Rose Exploration - Denver, CO (M.E. Wynne)

Commission within 60 days from the issuance date of this notice. (November 1, 1993 for Project No. 1922-008.) All reply comments must be filed with the Commission within 105 days from the date of this notice. (December 16, 1993 for Project No. 1922-008.)

Anyone may obtain an extension of time for these deadlines from the Commission only upon a showing of good cause or extraordinary circumstances in accordance with 18 CFR 385.2008.

All filings must (1) bear in all capital letters the title "COMMENTS", "REPLY COMMENTS", "RECOMMENDATIONS," "TERMS AND CONDITIONS," or "PRESCRIPTIONS;" (2) set forth in the heading the name of the applicant and the project number of the application to which the filing responds; (3) furnish the name, address, and telephone number of the person submitting the filing; and (4) otherwise comply with the requirements of 18 CFR 385.2001 through 385.2005. All comments, recommendations, terms and conditions or prescriptions must set forth their evidentiary basis and otherwise comply with the requirements of 18 CFR 4.34(b). Any of these documents must be filed by providing the original and the number of copies required by the Commission's regulations to: The Secretary, Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426. An additional copy must be sent to Director, Division of Project Review, Office of Hydropower Licensing, Federal Energy Regulatory Commission, room 1027, at the above address. Each filing must be accompanied by proof of service on all persons listed on the service list prepared by the Commission in this proceeding, in accordance with 18 CFR 4.34(b), and 385.2010.

Dated: September 14, 1993, Washington, DC.

Lois D. Cashell;

Secretary.

[FR Doc. 93-22839 Filed 9-17-93; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. JD93-14460T New Mexico-55]

United States Department of the Interior, Bureau of Land Management; NGPA Notice of Determination by Jurisdictional Agency Designating Tight Formation

September 14, 1993.

Take notice that on September 13, 1993, the United States Department of the Interior's Bureau of Land Management (BLM) submitted the

above-referenced notice of determination pursuant to § 271.703(c)(3) of the Commission's regulations, that the Pictured Cliffs Formation underlying certain lands in the Loe Area Fulcher-Kutz Pictured Cliffs Pools located in San Juan County, New Mexico, qualifies as a tight formulation under section 107(b) of the Natural Gas Policy Act of 1978. The area of application covers approximately 1,902 acres, more or less, consisting of 12.6% Fee, 33.6% State, and 53.8% Federal Lands. The recommended area is described as follows:

Township 29 North, Range 12 West

Sections 15-16: All

Section 23: All

The notice of determination also contains BLM's and the State of New Mexico's findings that the referenced portion of the Pictured Cliffs Formation meets the requirements of the Commission's regulations set forth in 18 CFR part 271.

The application for determination is available for inspection, except for material which is confidential under 18 CFR 275.206, at the Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426. Persons objecting to the determination may file a protest, in accordance with 18 CFR 275.203 and 275.204, within 20 days after the date this notice is issued by the Commission.

Lois D. Cashell,

Secretary.

[FR Doc. 93-22832 Filed 9-17-93; 8:45 am]

BILLING CODE 6717-01-M

[Docket Nos. CP93-622-000, et al.]

Tennessee Gas Pipeline Co., et al.; Natural Gas Certificate Filings

September 13, 1993.

Take notice that the following filings have been made with the Commission:

1. Tennessee Gas Pipeline Co.

[Docket No. CP93-622-000]

Take notice that on August 6, 1993, Tennessee Gas Pipeline Company (Tennessee), P.O. Box 2511, Houston, Texas 77252, filed in Docket No. CP93-622-000, an application pursuant to Section 7(b) of the Natural Gas Act for permission and approval to abandon a firm transportation service to Columbia Gas Transmission Corporation (Columbia) under Tennessee's Rate Schedule T-20, all as more fully set forth in the application on file with the Commission and open to public inspection.

No facilities are proposed to be abandoned herein.

Comment date: October 4, 1993, in accordance with Standard Paragraph F at the end of this notice.

2. U-T Offshore System

[Docket No. CP93-693-000]

Take notice that on August 30, 1993, U-T Offshore System, (U-TOS) P.O. Box 1396, Houston, Texas 77251, filed in Docket No. CP93-693-000 an application pursuant to Section 7(b) of the Natural Gas Act (NGA), as amended, and the Rules and Regulations of the Federal Energy Regulatory Commission (Commission), for authorization to abandon transportation service currently being rendered for CNG Transmission Corporation (CNG), all as more fully set forth in the application which is on file with the Commission and open to public inspection.

U-TOS proposes to terminate 36,417 Mcf per day in currently effective firm transportation service it renders for CNG according to U-TOS' Rate Schedule T-5. U-TOS also proposes to terminate 70,000 Mcf per day in associated Interruptible Overrun Transportation Service volumes rendered according to its Rate Schedule I. Service for CNG was certificated in Docket No. CP76-118 by order issued June 12, 1978, 3 FERC ¶ 61,232 (1978). U-TOS states that according to timely notice given to it by CNG's letter dated July 26, 1993, it proposes to terminate these services effective August 9, 1994—the end of the primary term of an agreement between U-TOS and CNG dated May 1, 1978, and designated as U-TOS' Rate Schedule T-5.

U-TOS states that it proposes no abandonment of facilities. U-TOS states that it anticipates no adverse impact on its supply of natural gas or transportation services as a result of the requested abandonment.

Comment date: October 4, 1993, in accordance with Standard Paragraph F at the end of this notice.

3. U-T Offshore System

[Docket No. CP93-694-000]

Take notice that on August 30, 1993, U-T Offshore System (U-TOS), P.O. Box 1396, Houston, Texas 77251, filed in Docket No. CP93-694-000 an application pursuant to Section 7(b) of the Natural Gas Act (NGA), as amended, and the Rules and Regulations of the Federal Energy Regulation Commission (Commission), for authorization to abandon transportation service currently being rendered for United Gas Pipe Line Company (United), all as more fully set forth in the application

OIL CONSERVATION DIVISION

RECEIVED FEDERAL ENERGY REGULATORY COMMISSION

'93 DE 13 AM 8 58

WASHINGTON, D. C. 20426

In reply refer to:
PR25.2/MFP

December 7, 1993

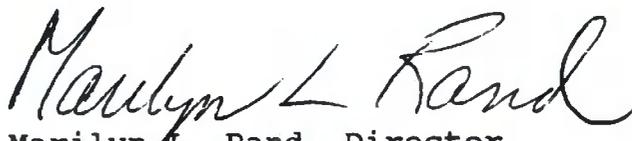
Allen F. Buckingham
Natural Gas Regulatory Specialist
Division of Mineral Resources
Bureau of Land Management
Albuquerque District Office (NGPA)
435 Montano Road, NE
Albuquerque, NM 87107

Re: Tight Formation Determination
New Mexico-55
Pictured Cliffs Formation
San Juan County, New Mexico
FERC No. JD93-14460T
BLM Docket No. NM-1817-92

Dear Mr. Buckingham:

The 45-day period for Commission review of this notice of determination expired October 28, 1993, and the determination is final. Accordingly, the Pictured Cliffs Formation underlying Sections 15, 16 and 23 in T29N, R12W, in San Juan County, New Mexico has been approved for tight formation designation.

Sincerely,


Marilyn L. Rand, Director
Division of Producer Regulation

cc: William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy, Minerals,
and Natural Resources
P. O. Box 2088
Santa Fe, New Mexico 87504

Texaco Exploration and Production, Inc.
3300 North Butler
Farmington, NM 87401

Stogner, Michael

To: Mary Corley (E-mail); Marilyn Rand (E-mail); Marilyn Rand (FERC-DC) (E-mail)
Subject: NGPA Well Determinations

November 25, 2002

Re: Applications for NGPA Section 107 well category determinations: (i) Bunce Com. Well No. 1 (API No. 30-045-24431) filed September 19, 2001 for tight formation gas, approved by the Division on November 18, 2002 as TF-02-004; ~~(ii) Gallegos Canyon Unit Well No. 506 (API No. 30-045-28067) filed September 19, 2001 for tight formation gas, approved by the Division on November 18, 2002 as TF-02-005;~~ (iii) Heaton Gas Com. "LS" Well No. 9-A (API No. 30-045-24988) filed September 19, 2001 for occluded coal seam gas, approved by the Division on November 19, 2002 as CS-02-002; (iv) Heaton Gas Com. "LS" Well No. 9-A (API No. 30-045-24988) filed September 19, 2001 for tight formation gas, approved by the Division on November 19, 2002 as TF-02-006; and (v) Gallegos Canyon Unit Well No. 323 (API No. 30-045-24615) filed on September 19, 2001 for occluded coal seam gas, approved by the Division on November 20, 2002 as CS-02-003.

Ms. Corley,

The five above-described NGPA well determination filings were recently processed by the Division and subsequently submitted to the FERC for final review. I however just realized that these applications did not contain the required FERC Form-121 (see attachment). I suggest you complete and submit them to Ms. Marilyn Rand with the FERC in Washington directly (see address below). Please provide me a xeric copy so that my copy of these applications will also be complete. I apologize for this inconvenience.

I am also sending you a hard copy of this e-mail in case there is a problem in its transmission.

Office of the Secretary
Federal Energy Regulatory Commission
Attention: Marilyn Rand
888 First Street, N.E.
Washington, DC 20426



FERC Form-121.pdf

A. THE NGPA WELL CATEGORY DETERMINATION IS BEING SOUGHT FOR A WELL PRODUCING:

- A1 ___ occluded natural gas from coal seams.
- A2 ___ natural gas from Devonian shale.
- A3 ___ natural gas from a designated tight formation.

B. FOR ALL APPLICATIONS FOR DETERMINATION PROVIDE THE FOLLOWING:

1. Well Name and No.* _____
2. Completed in (Name of Reservoir) * _____
3. Field * _____
4. County * _____
5. State * _____
6. API Well No. (14 digits maximum. If not assigned, leave blank.) _____
9. Measured Depth of the Completed Interval (in feet)
TOP _____ BASE _____

C. APPLICANT'S MAILING ADDRESS AND THE IDENTITY OF THE PERSON WHO IS RESPONSIBLE FOR APPLICATION:

1. Applicant's Name * _____
2. Street * _____
3. City * _____
4. State* _____ 5. Zip Code _____
6. Name of Person Responsible * _____
7. Title of Such Person * _____
8. Signature _____ and Phone No. () _____

* SIGNIFIES THAT LINE ENTRY MAY CONTAIN UP TO 35 LETTERS AND/OR NUMBERS.

(1/2000)

FERC Form-121 Federal Energy Regulatory Commission Form Approved
Washington D.C.

OMB No. 1902-0038
(Expires 9/30/03)

APPLICATION FOR DETERMINATION

GENERAL INSTRUCTIONS

1. Purpose: This form is to be used to provide basic data on each application for a well category determination that is filed with a Jurisdictional Agency to qualify the natural gas produced from such well as (a) occluded natural gas produced from coal seams, under section 107(c)(3) of the Natural Gas Policy Act of 1978 [15 U.S.C. 3301] (NGPA), (b) natural gas produced from Devonian shale, under section 107(c)(4) of the NGPA, or (c) natural gas produced from a designated tight formation, under section 107(c)(5) of the NGPA, in order to substantiate the eligibility of such natural gas for a tax credit under Section 29 of the Internal Revenue Code. The Commission will use this data, together with the other information contained in the Jurisdictional Agency's notice of determination, to evaluate whether substantial evidence exists to support the determination.

2. Who must submit: Anyone who files an application with a Jurisdictional Agency identified under Section 270.401 of the Commission's Regulations for a well category determination.

3. What and where to submit: The original of this form, and all of the information required by Section 270.302, 270.303, 270.304, or 270.306 of the Commission's Regulations must be filed with the Jurisdictional Agency. The Jurisdictional Agency making a determination must file the original of this form, with all of the other information required under the applicable Commission Regulations, with the **Office of the Secretary, Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426**. Applicants should retain one copy of each completed form for their files for 4 years.

4. These are mandatory filing requirements.

5. The data on this form are not considered confidential and will not be treated as such.

6. Where to send comments on the public reporting burden: The public reporting burden for this collection of information is estimated to average 0.25 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate, or any aspect of this collection of information, including suggestions for reducing this burden, to the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426 (Attention: Mr. Michael Miller, CI-1) and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). Persons subject to providing this information will not be penalized for failing to respond to these collections of information unless the collection of information displays a valid OMB control number.



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
BETTY RIVERA
Cabinet Secretary

Lori Wrotenberg
Director
Oil Conservation Division

November 19, 2002

Office of the Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426
Attn: Marilyn Rand

**RE: Amoco Production Company
Bunce Com No. 1
Gallegos Canyon Unit No. 506**

**Conoco Inc.
San Juan 28-7 Unit No. 165M
State Com AI No. 33E
State Com K No. 7R
State N No. 1**

Ms. Rand:

Enclosed are your copies of the approved NGPA applications for the above applicants.

Sincerely,

A handwritten signature in cursive script that reads "Kathy Valdes".

Kathy Valdes

Enclosure

TF-02-005

Form C-132 - Revised 10/1/86

State of New Mexico

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

2040 Pacheco St. 1220 S. St. Francis Dr.

Santa Fe, NM 87505

FOR DIVISION

USE ONLY:

APPLICATION FOR WELLHEAD PRICE CEILING CATEGORY DETERMINATION

APPROPRIATE FILING FEE(S) ENCLOSED? YES NO

DATE COMPLETE APPLICATION FILED Sept. 19, 2001

DATE DETERMINATION MADE Nov. 18, 2002

WAS APPLICATION CONTESTED? YES NO

NAME(S) OF INTERVENORS(S), IF ANY: NA

- FILING FEE(S) -
Effective October 1, 1986,
a non-refundable filing fee of
\$25.00 per category for each
application is mandatory. (Rule
2, Order No. R-5878-8-3

5A. Indicate Type of Lease	
STATE <input checked="" type="checkbox"/>	FEE <input type="checkbox"/>
5. State Oil & Gas Lease No.	
7. Unit Agreement Name	
8. Farm or Lease Name Gallegos Canyon Unit	
9. Well No. 506	
10. Field and Pool, or Wildcat Kutz	
12. County San Juan	

2. Name of Operator

Amoco Production Company

3. Address of Operator

P.O. Box 3092 Houston TX 77253

4. Location of Well

UNIT LETTER L LOCATED 1465 FEET FROM THE SOUTH LINE

AND 1095 FEET FROM THE WEST LINE OF SEC. 16 TWS. 29N RGE. 12W NMPM

11. Name and Address of Purchaser(s)

Paso Field Services

Check appropriate box for category sought and information submitted. Enter required information on lines 1 and 2, below.

1. Category(ies) sought (By NGPA Section No.)

2. Filing Fee(s) Amount Enclosed: \$ 25.00

3. All applications must contain:

- a. C-101 APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK
- b. C-105 WELL COMPLETION OR RECOMPLETION REPORT
- c. DIRECTIONAL DRILLING SURVEY, IF REQUIRED UNDER RULE 111
- d. AFFIDAVITS OF MAILING OR DELIVERY

4. In addition to the above, all applications must contain the items required by the applicable rule of the Division's "Special Reules of Applications for Wellhead Price Ceiling Category Determinations" as follows:

- A. NEW NATURAL GAS UNDER SEC. 102 (c) (1) (B) (using 2.5 Mile or 1000 Feet Deeper Test)
 - All items required by Rule 14 (1) and/or Rule 14 (2)
- B. NEW NATURAL GAS UNDER SEC. 102 (c) (1) (C) (new onshore reservoir)
 - All items required by Rule 15
- C. NEW ONSHORE PRODUCTION WELL UNDER SEC. 103
 - All items required by Rule 16a OR Rule 16B
- D. SEC. 107 HIGH COST NATURAL GAS (TIGHT FORMATION, DEEP, COAL SEAM, AND PRODUCTION ENHANCEMENT) UNDER SEC. 103
 - All items required by Rule 17 (1), Rule 17 (2), Rule 17 (4), or Rule 17 (5)
- E. STRIPPER WELL NATURAL GAS UNDER SEC. 108
 - All items required by Rule 18

HEREBY CERTIFY THAT THE INFORMATION CONTAINED HEREIN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Mary Corley

NAME OF APPLICANT (TYPE OR PRINT)

SIGNATURE OF APPLICANT

Title Senior Regulatory Analyst

Date September 5, 2001

API No. 30-045-28067

FOR DIVISION USE ONLY

- Approved
- Disapproved

The information contained herein includes all of the information required to be filed by the applicant under Subpart 8 of Part 274 of the FERC regulation

EXAMINER