

5847 San Felipe Suite 3600
Houston, Texas 77057
Telephone: (713) 780-5000
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Received
6/22/93

June 15, 1993



State of New Mexico
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

RE: Non Standard Location, Administrative Approval Request
Gallegos Canyon Unit #40
SE/NE Section 29, T-28-N, R-12-W
San Juan, County, New Mexico

Gentlemen:

BHP Petroleum (Americas) Inc. respectfully requests that a non-standard location be approved to allow the GCU #40 to be recompleted in the Fruitland Coal formation. The well is located 1770' FNL & 660' FEL in the SW/SW quarter of Section 29, T-28-N, R-12-W in San Juan, New Mexico.

The non-standard location is being requested in order to utilize an existing wellbore for Fruitland Coal development.

No additional surface damage is expected.

BHP is the operator of all offsetting proration units.

If you have any questions, please contact me directly at (713) 780-5301.

Sincerely,

Carl Kolbe

Carl Kolbe
Regulatory Affairs Representative

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

BHP Petroleum(Americas) Inc.

3. Address and Telephone No.

5847 San Felipe, Suite 3600, Houston, Texas 77057

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

1770' FNL & 660' FEL of Section 29, T-28-N, R-12-W

5. Lease Designation and Serial No.

SF078828

6. If Indian, Allottee or Tribe Name

7. If Unit or CA. Agreement Designation

Gallegos Canyon Unit

8. Well Name and No.

GCU #40

9. API Well No.

10. Field and Pool, or Exploratory Area

Basin Fruitland Coal

11. County or Parish, State

San Juan, New Mexico

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

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☒ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other _____
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

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

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

1. Pressure test casing w/2500 psi.
2. Log well from casing shoe to surface to locate the Fruitland Coal interval.
3. Production Test the Pictured Cliffs; if productive (25 MCF or more), set RBP @ approximately 1296'. If not productive, set CIBP @ same depth.
4. Perforate the Fruitland Coal w/4 JSPF.
5. Fracture stimulate w/a minimum of 40,000# of sand.

B.O.P.E. will consist of a 2000# Reagan bladder type preventer, pipe rams and blind rams B.O.P.E.

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

Signed

Carl Kolbe

Title Regulatory Affairs Rep.

Date 6/1/93

(This space for Federal or State office use)

Approved by _____

Conditions of approval, if any:

Title _____

Date _____

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

310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

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. 40 |
| Unit Letter H | Section 29 | Township 28 N | Range 12 W | County NMPM San Juan | |

Actual Footage Location of Well:

1770 feet from the North line and 660' feet from the East line

| | | | |
|-----------------------------|---------------------------------------|------------------------------|---------------------------------|
| Ground level Elev. 5581' | Producing Formation Fruitland Coal | Pool Basin Fruitland coal | Dedicated Acreage: 320 Acres |
|-----------------------------|---------------------------------------|------------------------------|---------------------------------|

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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

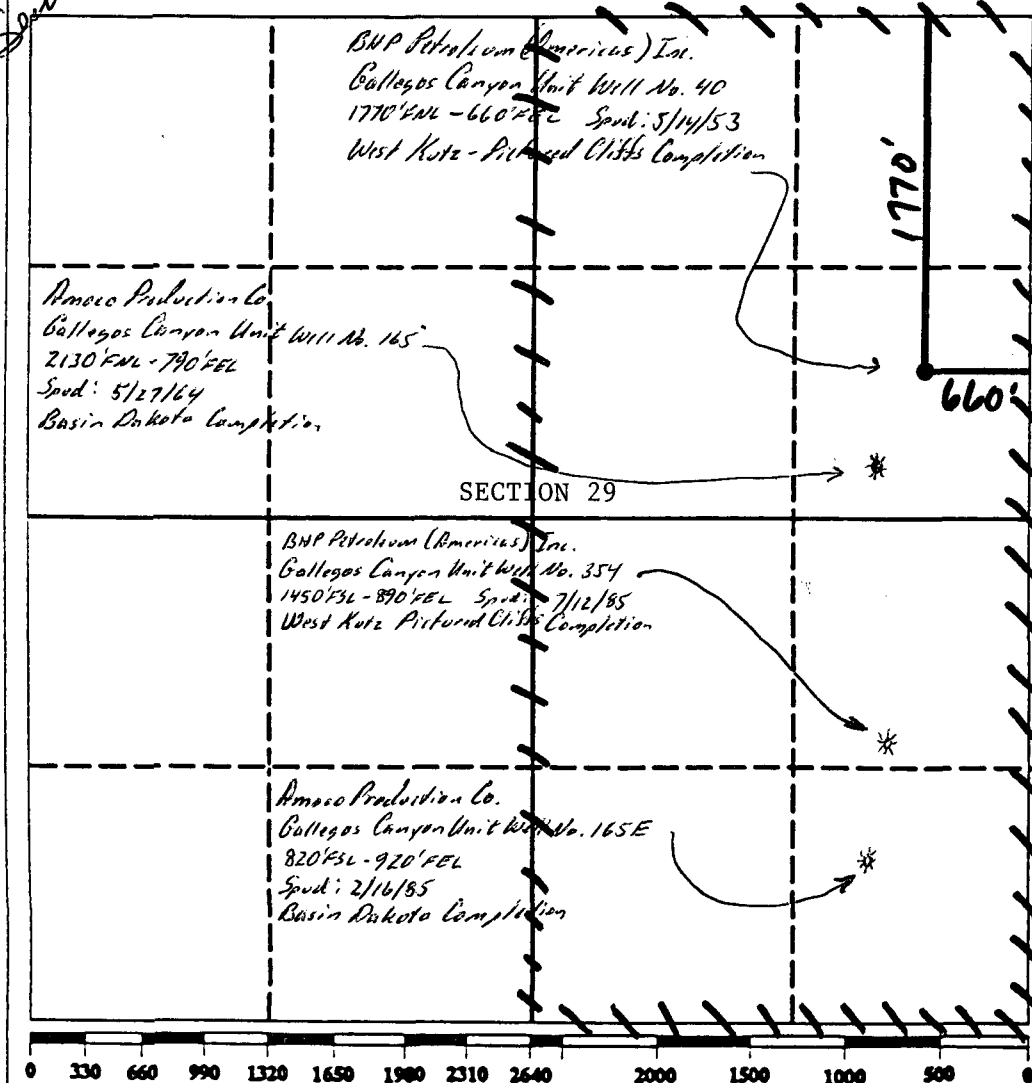
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
Carl Kolbe
Printed Name
Carl Kolbe
Position
Regulatory Affairs Rep.
Company
BHP Petroleum(Americas)Inc.
Date
6/1/93

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
Signature & Seal of Professional Surveyor
Original on file
Certificate No.



ZM SYSTEM

