



PATRICK H. LYONS
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760
Fax (505) 827-5766
www.nmstatelands.org

February 16, 2005

Amoco Production Company
501 Westlake Park Blvd.
Houston, Texas 77079-3092

Attn: Mr. Brett Woody

Re: 2005 Plan of Development
Gallegos Canyon Unit
San Juan County, New Mexico

Dear Mr. Woody:

The Commissioner of Public Lands has, of this date, approved the above-captioned Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

The possibility of drainage by wells outside of the unit area and the need for further development of the unit may exist. You may be contacted at a later date regarding these possibilities.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS
COMMISSIONER OF PUBLIC LANDS

A handwritten signature in black ink, appearing to read "Jami Bailey".

BY:
JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

PL/JB/cpm
xc: Reader File

OCD

BLM

-State Land Office Beneficiaries -

Carrie Tingley Hospital • Charitable Penal & Reform • Common Schools • Eastern NM University • Rio Grande Improvement • Miners' Hospital of NM • NM Boys School • NM Highlands University • NM Institute of Mining & Technology • New Mexico Military Institute • NM School for the Deaf • NM School for the Visually Handicapped • NM State Hospital • New Mexico State University • Northern NM Community College • Penitentiary of New Mexico • Public Buildings at Capital • State Park Commission • University of New Mexico • UNM Saline Lands • Water Reservoirs • Western New Mexico University



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COMMUNICATION

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October 14, 2004

BP America Production Company
San Juan Performance Unit
501 Westlake Park Boulevard
Houston, Texas 77079

Attn: Mr. Brett Woody

Re: Gallegos Canyon Unit
Commerciality Determinations
Fruitland Coal Formations
San Juan County, New Mexico

Dear Mr. Woody:

We received your letter of August 6, 2004, together with data that supports your commerciality determinations for several Fruitland Coal wells within the Gallegos Canyon Unit, San Juan County, New Mexico.

By their letter of September 2, 2004, the Bureau of Land Management advised this office that they have concurred with your determination for the following wells:

Paying Wells:

Gallegos Canyon Unit Well Nos. 159, 173, 193E, 416, 553, 563, 568, 571, and 579.

Non-Paying Wells:

Gallegos Canyon Unit Well Nos. 14, 49, 76, 93, 176E, 192E, 196, 209, 223, 240E, 291, 311, 400E, 411, 566, 569, and 578.

The Commissioner of Public Lands concurs with BP America Production Company's and the Bureau of Land Management's commerciality determinations for the above mentioned wells.

The wells that were determined to be commercial in the Fruitland Coal formation are to be included in the Fruitland Coal participating area. Please submit the appropriate expansion of the Fruitland Coal Participating Area to this office for approval. The wells that were determined non-commercial are to be reported under their lease number or communitization agreement number.

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BP America Production Company
October 14, 2004
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If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS
COMMISSIONER OF PUBLIC LANDS

BY: 

JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744
PL/JB/pm

pc: Reader File
BLM-Farmington Attn: Mr. Wayne Townsend
OCD-Santa Fe Attn: Mr. Roy Johnson
TRD-Attn: Mr. Valdean Severson
RMD-Attn: Ms. Linda Vieira