

EXHIBIT "2"

Fruitland Participating Area Enlargement Application

<u>WELL NUMBER</u>	<u>LOCATION</u>	<u>COMPLETION DATE</u>	<u>FIRST SALES</u>	<u>PRODUCING FORMATION</u>
#341	T-28-N, R-12-W Sec. 16: SW $\frac{1}{4}$ NW $\frac{1}{4}$	4-11-85	No sales as of 6-01-85	Fruitland (original objective was Pictured Cliffs)
#344	T-29-N, R-12-W Sec. 29: NE $\frac{1}{4}$ SW $\frac{1}{4}$	2-19-85	5-06-85	Fruitland
#346	T-28-N, R-12-W Sec. 15: SW $\frac{1}{4}$ NW $\frac{1}{4}$	2-18-85	5-03-85	Fruitland
#347	T-28-N, R-12-W Sec. 15: NW $\frac{1}{4}$ SE $\frac{1}{4}$	12-27-84	1-17-85	Fruitland

EXHIBIT "3"

Fruitland Participating Area "C" Lands Through the Second Enlargement
 Effective 5-01-85

<u>UNIT TRACT NUMBER</u>	<u>LEASE NAME</u>	<u>DESCRIPTION</u>	<u>PARTICIPATING ACRES</u>	<u>TRACT ALLOCATION</u>
45	Nav-8486	<u>T-29-N, R-12-W</u> <u>Sec. 33: SW$\frac{1}{4}$</u>	160.00	16.11993%
10	SF-078109	<u>T-28-N, R-12-W</u> <u>Sec. 9: W$\frac{1}{2}$</u> (Lots 3, 4, S $\frac{1}{2}$ SW $\frac{1}{4}$)	136.32	13.73419%
37	Nav-8474	<u>T-28-N, R-12-W</u> <u>Sec. 9: E$\frac{1}{2}$</u> (Lots 1, 2, S $\frac{1}{2}$ SE $\frac{1}{4}$) <u>Sec. 16: N$\frac{1}{2}$</u>	456.24	45.96599%
71	B-10405	<u>T-29-N, R-12-W</u> <u>Sec. 32: SE$\frac{1}{4}$SE$\frac{1}{4}$</u>	40.00	4.02998%
69	E-2754	<u>T-29-N, R-12-W</u> <u>Sec. 32: SW$\frac{1}{4}$SE$\frac{1}{4}$</u>	40.00	4.02998%
9	SF-078106	<u>T-28-N, R-12-W</u> <u>Sec. 15: NW$\frac{1}{4}$</u>	160.00	16.11993%
<u>Total</u>			<u>992.56</u>	<u>100.00%</u>

EXHIBIT "4"

Initial Fruitland Participating Area "E" Lands
Effective 1-01-85

<u>UNIT TRACT NUMBER</u>	<u>LEASE NAME/ NUMBER</u>	<u>DESCRIPTION</u>	<u>PARTICIPATING ACRES</u>	<u>TRACT ALLOCATION</u>
9	SF-078106	T-28-N, R-12-W Sec. 15: SE $\frac{1}{4}$	160.00	100.00%
Total			160.00	100.00%

EXHIBIT "5"

Initial Fruitland Participating Area "P" Lands
Effective 3-01-85

<u>UNIT TRACT NUMBER</u>	<u>LEASE NAME/ NUMBER</u>	<u>DESCRIPTION</u>	<u>PARTICIPATING ACRES</u>	<u>TRACT ALLOCATION</u>
36	SF-080962	T-29-N, R-12-W Sec. 29: NE $\frac{1}{4}$ SW $\frac{1}{4}$	40.00	25.00%
113	Schenck, Phil & Alberta	T-29-N, R-12-W Sec. 29: W $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$	120.00	75.00%
Total			160.00	100.00%

GALLEGOS CANYON UNIT NO. 341
TABLE I - DATA AND ASSUMPTIONS
UNIT PAY ANALYSIS

1. Net pay - 19 ft.
2. Average Porosity - 21%
3. Average water saturation - 46.0%
4. Well spacing - 160 acres
5. Reservoir Temperature - 85°F
6. Measured Initial BHP - 475 psi
7. Line Pressure - 115 psig
8. Calculated Flowing BHP - 118 psi
9. Gas Price - \$3.54/mcf
10. Operating Costs - \$250/month
11. Taxes - 9.0%
12. Discount Rate - 12.0%
13. Royalty - 12.5%
14. Well Cost - \$68,800
15. Gas Gravity - 0.655
- *16. Stabilized Test Flow Rate - 175 MCFD
17. Calculated Stabilized Test Flowing BHP - 94 psi
18. n (assumed) - 0.85

* 50% of initial flow rate was used throughout this evaluation to account for the quick drop in production common to these wells.

EXHIBIT "6"

SUMMARY

GALLEGOS CANYON UNIT #341
SW NW SECTION 16 T28N-R12W
SAN JUAN COUNTY, NEW MEXICO

The Gallegos Canyon Unit #341 was spudded on January 25, 1985, and drilled to a total depth of 1432' on January 27, 1985. 8 5/8" 20#/ft surface casing was set at 135' and cemented to the surface with 100 sx Class "B" cement, 4 1/2" 10.5#/ft production casing was set at 1432' and cemented to the surface with 250 sx 50-50 pozmix. The well was drilled through the Pictured Cliffs Formation.

LOGGING PROGRAM

Gamma Ray-Induction Electric-Compensated Density-Compensated Neutron logs were run to evaluate this well. Formations tops from these logs are:

Ojo Alamo - 65'
Kirtland - 145'
Fruitland - 902'
Pictured Cliffs - 1328'

CORES AND DST's

No cores were cut and no DST's were run on this well.

COMPLETION

Perforated the Pictured Cliffs Formation from 1334'-1354' with 16 shots. Broke down perms with 1000 gals of 2% KCl water and ball sealers. Frac'd with 22,000 gals 70 Q foam w/30,000# 10-20 sand. Tested well. Produced 100+ BWPD with no gas. Set a CIBP at 1326'. Dumped 6 sx of Class "B" onto CIBP. Perforated the Fruitland Formation at 1024'-1030', 1037'-1048', and 1051'-1058' with 2 JSPF. Broke down perms with 1000 gals of 2% KCl water and ball sealers. Frac'd w/23,000 gals of 70 Q foam with 30,500# 10-20 sand. The well was tested 4-2-85 at a rate of 350 MCFD with a FTP of 90 psig.

CONCLUSION

Using the economic parameters outlined in the following tables, this well will payout in approximately 6 months. Therefore, it is concluded the Gallegos Canyon Unit #341 is productive in paying quantities according to the unit agreement and should be classified as a paying well.

GALLEGOS CANYON UNIT NO. #341
TABLE II--PRODUCTION AND RESERVES

POINT	STATIC BHP	Z	$\Delta(P^2) \times 10^3$	Q, MCFD	0.8 Q, MCFD		GIP MMCF	PROD. MMCF	Cum. Prod. MMCF	TIME	
					Q, Avg MCFD	Q, MCFD				Days	YRS
TEST	475	0.922	217.789	175							
1	475	0.922	211.701	170	136		496				
2	450	0.923	188.576	157	126	131	469	27	27	203	0.6
3	400	0.931	146.076	126	101	113	414	56	82	492	1.3
4	350	0.940	108.576	98	78	90	358	55	137	616	1.7
5	300	0.948	76.076	70	56	67	305	54	191	800	2.2
6	250	0.957	48.576	50	40	48	251	53	244	1107	3.0

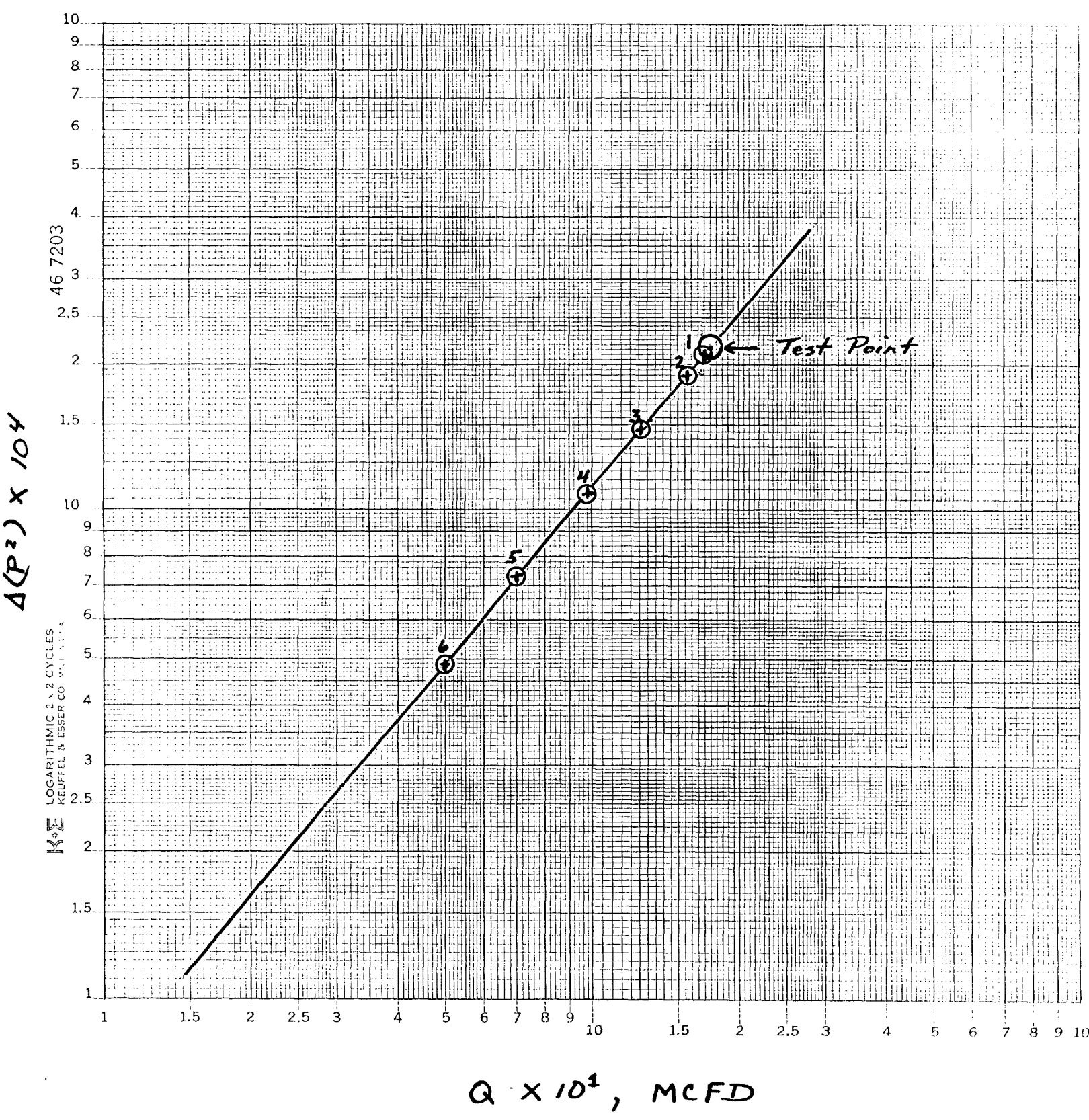
TABLE III --ECONOMICS

YEAR	AVG. PROD. RATE (MCFD)	YEARLY PROD. (MCF)	WORKING INTEREST				DISCOUNT FACTOR	DISCOUNT VALUE (\$)	W.I. COST PAYOUT
			YEARLY PROD. (MCF)	VALUE (\$)	LESS TAXES	LESS OPER. COST & PROFIT			
1	125.5	45,808	40,081	141,889	129,119	125,939	0.8926	112,413	43,613

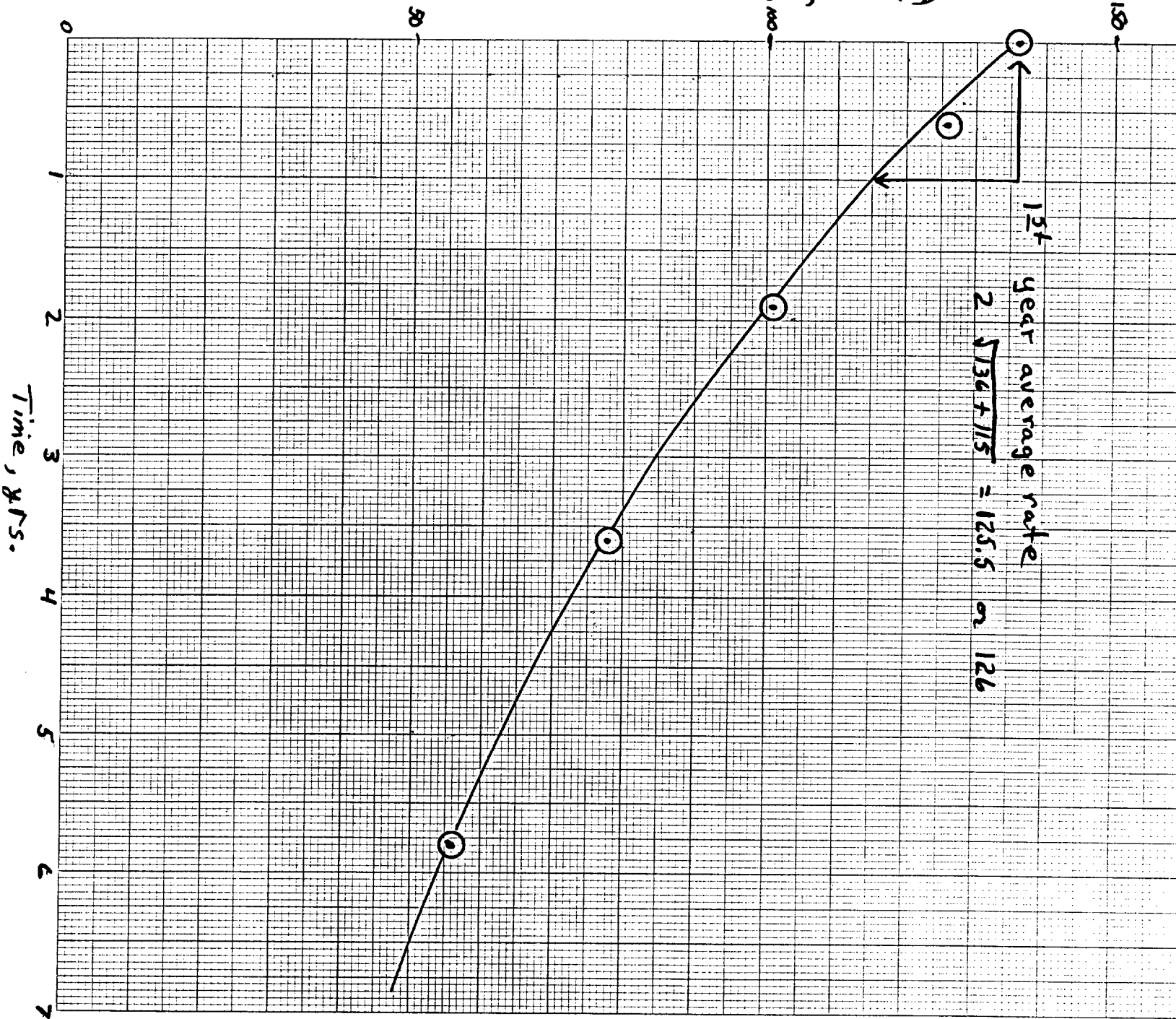
\$68,800

Gallegos Canyon Unit #341

$\Delta(P^2)$ vs. Q



(0.8) Rate, mCFD



SUMMARY

GALLEGOS CANYON UNIT #344
NE SW SECTION 29 T29N-R12W
SAN JUAN COUNTY, NEW MEXICO

The Gallegos Canyon Unit #344 was spudded on January 11, 1985, and drilled to a total depth of 1090' on January 13, 1985. 8 5/8" 20#/ft surface casing was set at 136' and cemented to the surface with 175 sx Class "B" cement, 4 1/2" 10.5#/ft production casing was set at 1090' and cemented to the surface with 175 sx 50-50 pozmix. The well was drilled through the Fruitland Formation.

LOGGING PROGRAM

Gamma Ray-Induction Electric- Compensated Density-Compensated Neutron logs were run to evaluate this well. Formations tops from these logs are:

Kirtland - 65'
Fruitland - 837'

CORES AND DST'S

No cores were cut and no DST's were run on this well.

COMPLETION

Perforated the Fruitland Formation at 1009'-10', 1000'-05', 997'-99' and 987'-89' with 1 JSPF. Broke down perfs with 1000 gals 2% KCL water and ball sealers. Frac'd with 28,500 gals 70 Q Foam with 21,000 pounds 10-20 sand. The well was tested 2-12-85 at a rate of 721 MCFD with a FTP of 200 psig.

CONCLUSION

Using the economic parameters outlined in the following tables, this well will payout in less than two months. Therefore, it is concluded the Gallegos Canyon Unit #344 well is productive in paying quantities according to the unit agreement and should be classified as a paying well.

GALLEGOS CANYON UNIT NO. 344
TABLE I - DATA AND ASSUMPTIONS
UNIT PAY ANALYSIS

1. Net pay - 16 ft.
2. Average Porosity - 18.0%
3. Average waters saturation - 35.0%
4. Well spacing - 160 acres
5. Reservoir Temperature - 85°F
- *6. Measured Initial BHP - 429 psi
7. Line Pressure - 115 psig
8. Calculated Flowing BHP - 118 psi
9. Gas Price - \$3.54/mcf
10. Operating Costs - \$250/month
11. Taxes - 9.0%
12. Discount Rate - 12.0%
13. Royalty - 12.5%
14. Well Cost - \$49,400
15. Gas Gravity - 0.655
- *16. Stabilized Test Flow Rate - 360 MCFD
17. Calculated Stabilzed Test Flowing BHP - 206 psi
18. n (assumed) - 0.85

* 50% of initial flow rate was used throughout this evaluation to account for the quick drop in production common to these wells.

GALLEGOS CANYON UNIT NO. #344
TABLE II-PRODUCTION AND RESERVES

POINT	STATIC BHP	Z	$\Delta(P^2) \times 10^3$	Q, MCFD	0.8 Q, MCFD	Q, Avg MCFD	GIP MMCF	PROD. MMCF	Cum. Prod. MMCF	Days	TIME YRS	CUM YRS
TEST	429	0.930	141.605	360								
1	429	0.930	170.117	420	336		393.3					
2	400	0.931	146.076	370	296	316	366.3	27.0	27.0	85	0.23	0.23
3	350	0.940	108.576	285	228	262	317.5	48.9	75.8	186	0.51	0.74
4	300	0.948	76.076	214	171	200	269.8	47.6	123.5	239	0.65	1.40
5	250	0.957	48.576	144	115	143	227.7	47.1	170.6	329	0.90	2.30
6	200	0.966	26.076	86	69	92	176.5	46.2	216.8	502	1.38	3.68

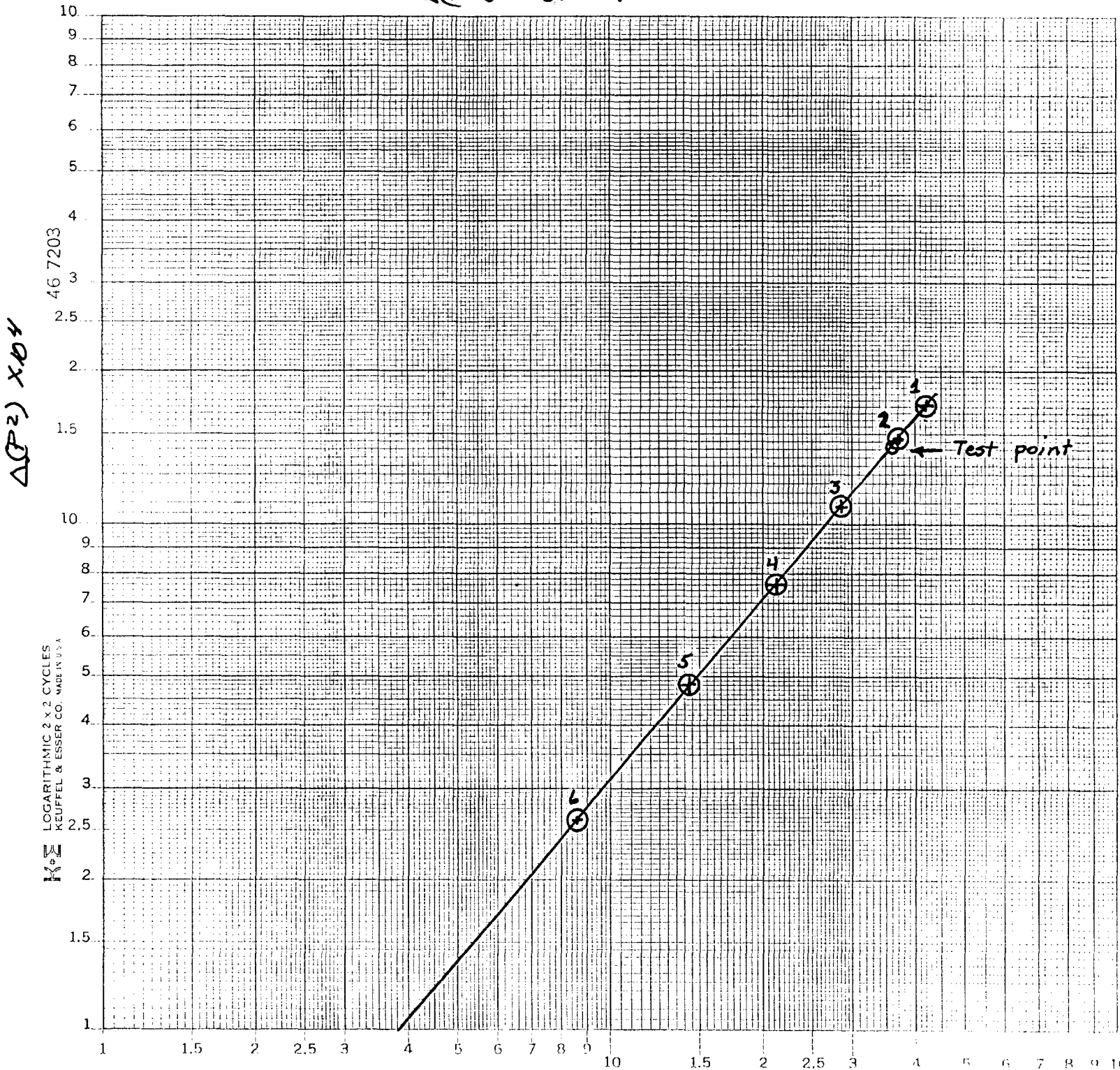
TABLE III -ECONOMICS

YEAR	AVG. PROD. RATE (MCFD)	YEARLY PROD. (MCF)	WORKING INTEREST				DISCOUNT FACTOR	DISCOUNT VALUE (\$)	W.I. COST PAYOUT
			YEARLY PROD. (MCF)	VALUE (\$)	LESS TAXES	LESS OPER. COST & PROFIT			
1	270	98,550	86,231	305,258	277,785	274,605	0.8926	245,112	195,712

\$49,400

Gallegos Canyon Unit #344

$\Delta(P^2)$ vs. Q

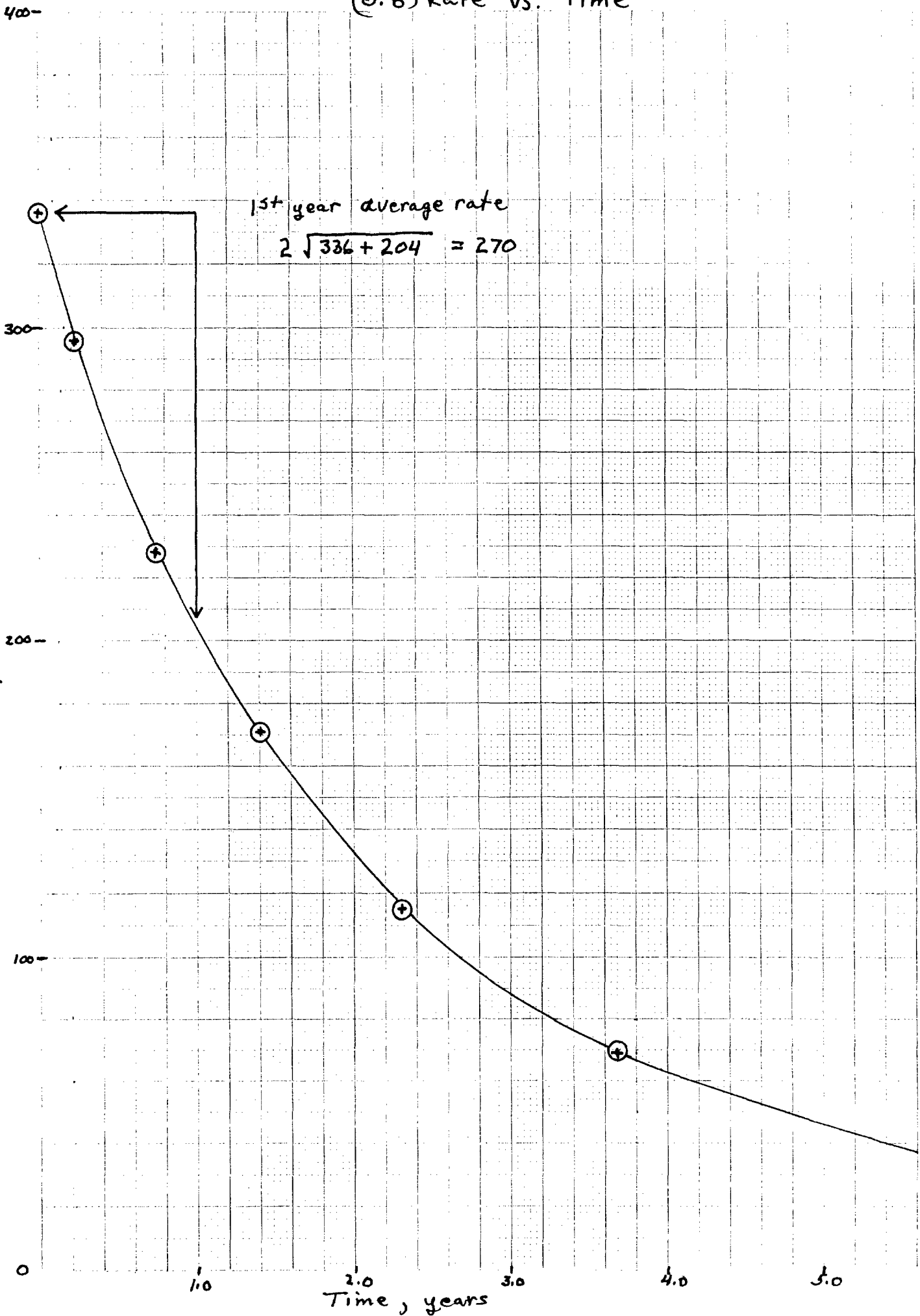


$Q \times 10^1, \text{mCFD}$

Gallegos Canyon Well No. 344
(0.8) Rate vs. Time

46 1320

Rate, mCFD



SUMMARY

GALLEGOS CANYON UNIT #346
SW NW SECTION 15 T28N-R12W
SAN JUAN COUNTY, NEW MEXICO

The Gallegos Canyon Unit #346 was spudded on January 8, 1985, and drilled to a total depth of 1178' on January 10, 1985. 8 5/8" 20#/ft surface casing was set at 144' and cemented to the surface with 90 sx Class "B" cement, 4 1/2" 10.5#/ft production casing was set at 1175' and cemented to the surface with 175 sx 50-50 pozviz. The well was drilled through the Fruitland Formation.

LOGGING PROGRAM

Gamma Ray-Induction Electric- Compensated Density-Compensated Neutron logs were run to evaluate this well. Formations tops from these logs are:

Ojo Alamo - 129'
Kirtland - 216'
Fruitland - 964'

CORES AND DST'S

No cores were cut and no DST's were run on this well.

COMPLETION

Perforated the Fruitland Formation at 1113'-17', 1108'-10', and 1100'-05' with 1 JSPF. Broke down perms with 1000 gals 2% KCL water and ball sealers. Frac'd with 22,000 gals 70 Q Foam with 30,000 pounds 10-20 sand. The well was tested 2-11-85 at a rate of 415 MCFD with a FTP of 110 psig.

CONCLUSION

Using the economic parameters outlined in the following tables, this well will payout in less than four months. Therefore, it is concluded the Gallegos Canyon Unit #346 well is productive in paying quantities according to the unit agreement and should be classified as a paying well.

GALLEGOS CANYON UNIT NO. 346
TABLE I - DATA AND ASSUMPTIONS
UNIT PAY ANALYSIS

1. Net pay - 19 ft.
2. Average Porosity - 20.0%
3. Average waters saturation - 42.6%
4. Well spacing - 160 acres
5. Reservoir Temperature - 85°F
- *6. Measured Initial BHP - 495 psi
7. Line Pressure - 115 psig
8. Calculated Flowing BHP - 118 psi
9. Gas Price - \$3.54/mcf
10. Operating Costs - \$250/month
11. Taxes - 9.0%
12. Discount Rate - 12.0%
13. Royalty - 12.5%
14. Well Cost - \$47,000
15. Gas Gravity - 0.655
- *16. Stabilized Test Flow Rate - 208 MCFD
17. Calculated Stabilized Test Flowing BHP - 114 psi
18. n (assumed) - 0.85

* 50% of initial flow rate was used throughout this evaluation to account for the quick drop in production common to these wells.

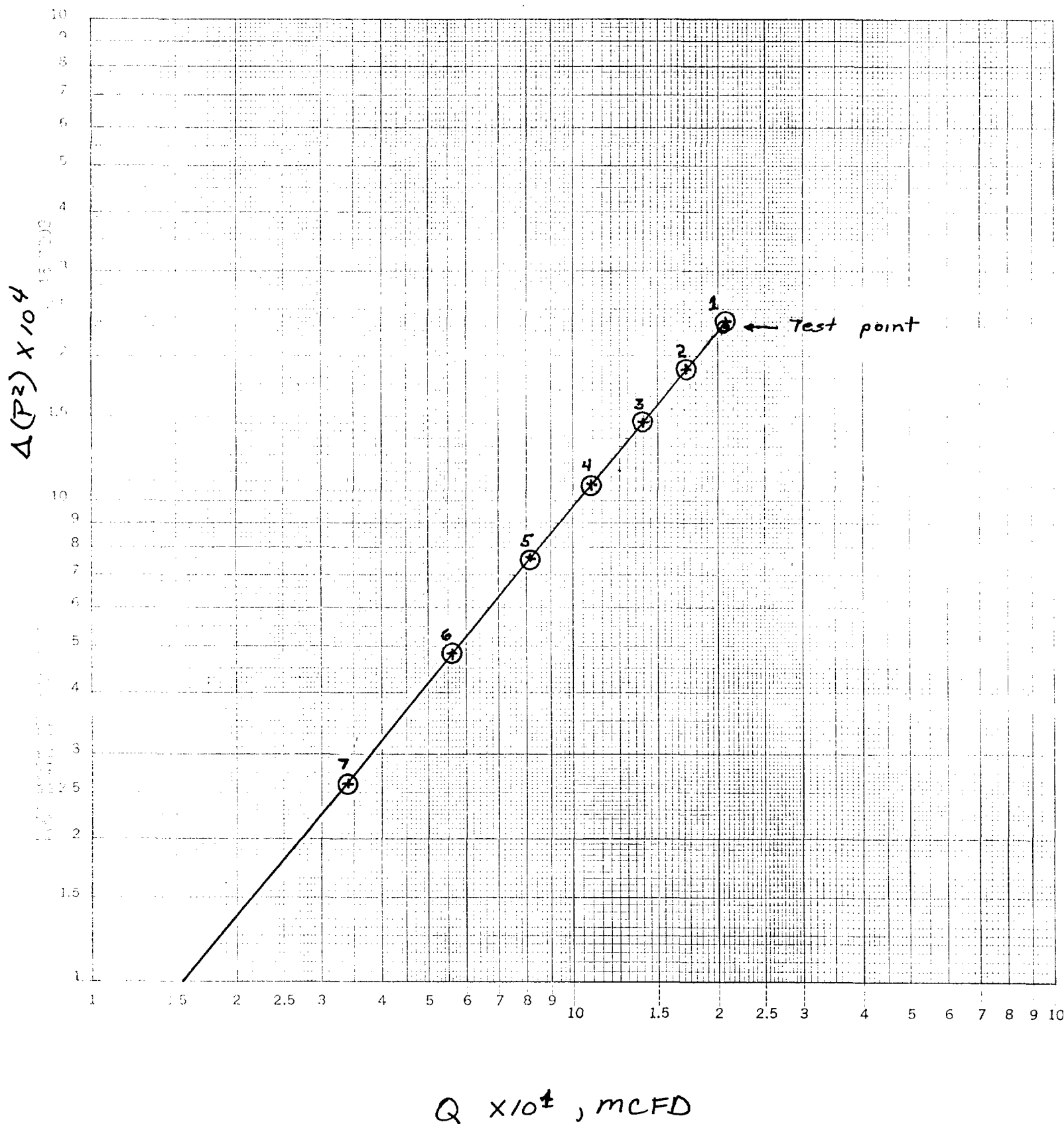
GALLEGOS CANYON UNIT NO. #346
TABLE II-PRODUCTION AND RESERVES

POINT	STATIC BHP	Z	$\Delta(P^2) \times 10^3$	Q, MCFD	0.8 Q, MCFD		GIP MMCF	PROD. MMCF	Cum. Prod. MMCF	TIME	
					Q, Avg MCFD	Q, MCFD				Days	YRS
TEST	495	0.920	232.029	208							
1	495	0.920	231.101	205	164		535				
2	450	0.923	188.576	172	138	151	484	50	50	333	0.9
3	400	0.931	146.076	140	112	125	427	58	108	461	1.3
4	350	0.940	108.565	109	87	100	370	57	165	572	1.6
5	300	0.948	76.076	81	65	76	314	56	220	731	2.0
6	250	0.957	48.576	56	45	55	260	55	275	1001	2.7
7	200	0.966	26.076	34	27	36	206	54	329	1496	41

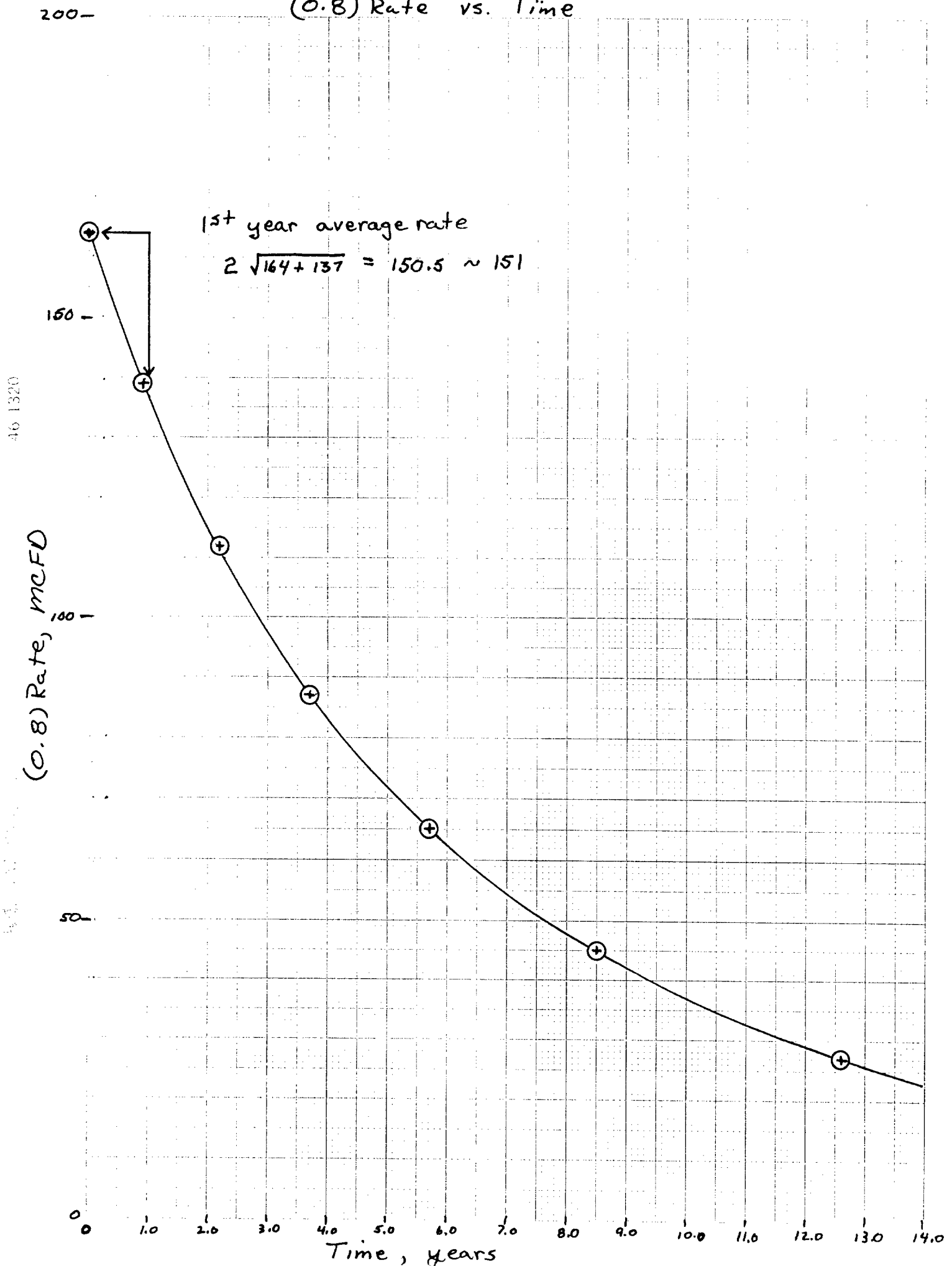
TABLE III -ECONOMICS

YEAR	AVG. PROD. RATE (MCFD)	YEARLY PROD. (MCF)	WORKING INTEREST				DISCOUNT FACTOR	DISCOUNT VALUE (\$)	\$47,000 W.I. COST PAYOUT
			YEARLY PROD. (MCF)	YEARLY VALUE (\$)	LESS TAXES	LESS OPER. COST & PROFIT			
1	151	55,115	48,226	170,719	155,354	152,174	0.8926	135,831	88,831

Gallegos Canyon Unit #346

 $\Delta(P^2)$ vs. Q 

Gallegos Canyon Unit #346
(0.8) Rate vs. Time



SUMMARY

GALLEGOS CANYON UNIT #347
NW SE SECTION 15 T28N-R12W
SAN JUAN COUNTY, NEW MEXICO

The Gallegos Canyon Unit #347 was spudded on December 10, 1984 and drilled to a total depth of 1358' on December 12, 1984. 8 5/8" 20#/ft surface casing was set at 141' and cemented to the surface with 100 sx Class "B" cement, 4 1/2" 10.5#/ft production casing was set at 1351' and cemented to the surface with 175 sx 50-50 pozmix. The well was drilled through the Fruitland Formation.

LOGGING PROGRAM

Gamma Ray-Induction Electric- Compensated Density-Compensated Neutron logs were run to evaluate this well. Formations tops from these logs are:

Ojo Alamo - 253'
Kirtland - 361'
Fruitland -1097'

CORES AND DST's

No cores were cut and no DST's were run on this well.

COMPLETION

Perforated the Fruitland Formation at 1279', 1277', 1275', 1273', 1241', 1239', 1237', 1235', 1229', 1227', 1225', 1223', 1220', and 1218' with 1 JSPF. Broke down perfs with 1000 gals 2% KCL water and ball sealers. Frac'd with 40,800 gals 70 Q Foam with 52,000 pounds 12-20 sand. The well was tested 12-27-84 at a rate of 2936 MCFD with a FTP of 115 psig. This well first sold gas to EPNG on 1-17-85.

CONCLUSION

Using the economic parameters outlined in the following tables, this well will payout in less than one month. Therefore, it is concluded the Gallegos Canyon Unit #347 well is productive in paying quantities according to the unit agreement and should be classified as a paying well.

GALLEGOS CANYON UNIT NO. 347
TABLE I - DATA AND ASSUMPTIONS
UNIT PAY ANALYSIS

1. Net pay - 36 ft.
 2. Average Porosity - 19.4%
 3. Average water saturation - 36.0%
 4. Well spacing - 160 acres
 5. Reservoir Temperature - 85°F
 - *6. Measured Initial BHP - 469 psi
 7. Line Pressure - 115 psig
 8. Calculated Flowing BHP - 118 psi
 9. Gas Price - \$3.54/mcf
 10. Operating Costs - \$250/month
 11. Taxes - 9.0%
 12. Discount Rate - 12.0%
 13. Royalty - 12.5%
 14. Well Cost - \$61,400
 15. Gas Gravity - 0.655
 - **16. Stabilized Test Flow Rate - 1468 MCFD
 17. Calculated Stabilized Test Flowing BHP - 240 psi
 18. n (assumed) - 0.85
- * Well pressure was not completely build-up.
- ** 50% of initial flow rate was used throughout this evaluation to account for the quick drop in production common to these wells.

GALLEGOS CANYON UNIT NO. #347
TABLE II-PRODUCTION AND RESERVES

POINT	STATIC BHP	Z	$\Delta(P^2) \times 10^3$	Q, MCFD	0.8 Q, MCFD		GIP MMCF	PROD. MMCF	Cum. Prod. MMCF	TIME	
					Q, AVG MCFD	Q, MCFD				Days	YRS
TEST	469	0.920	162.361	1468							
1	469	0.920	206.037	1800	1440		1038				
2	450	0.923	188.576	1660	1328	1384	993	45	45	33	0.1
3	400	0.931	146.076	1350	1080	1204	875	118	163	98	0.3
4	350	0.940	108.565	1040	832	956	758	117	280	112	0.3
5	300	0.948	76.076	775	620	726	644	114	394	157	0.4
6	250	0.957	48.576	530	424	522	532	112	506	215	0.6
7	200	0.966	26.076	315	252	338	421	110	616	326	0.9

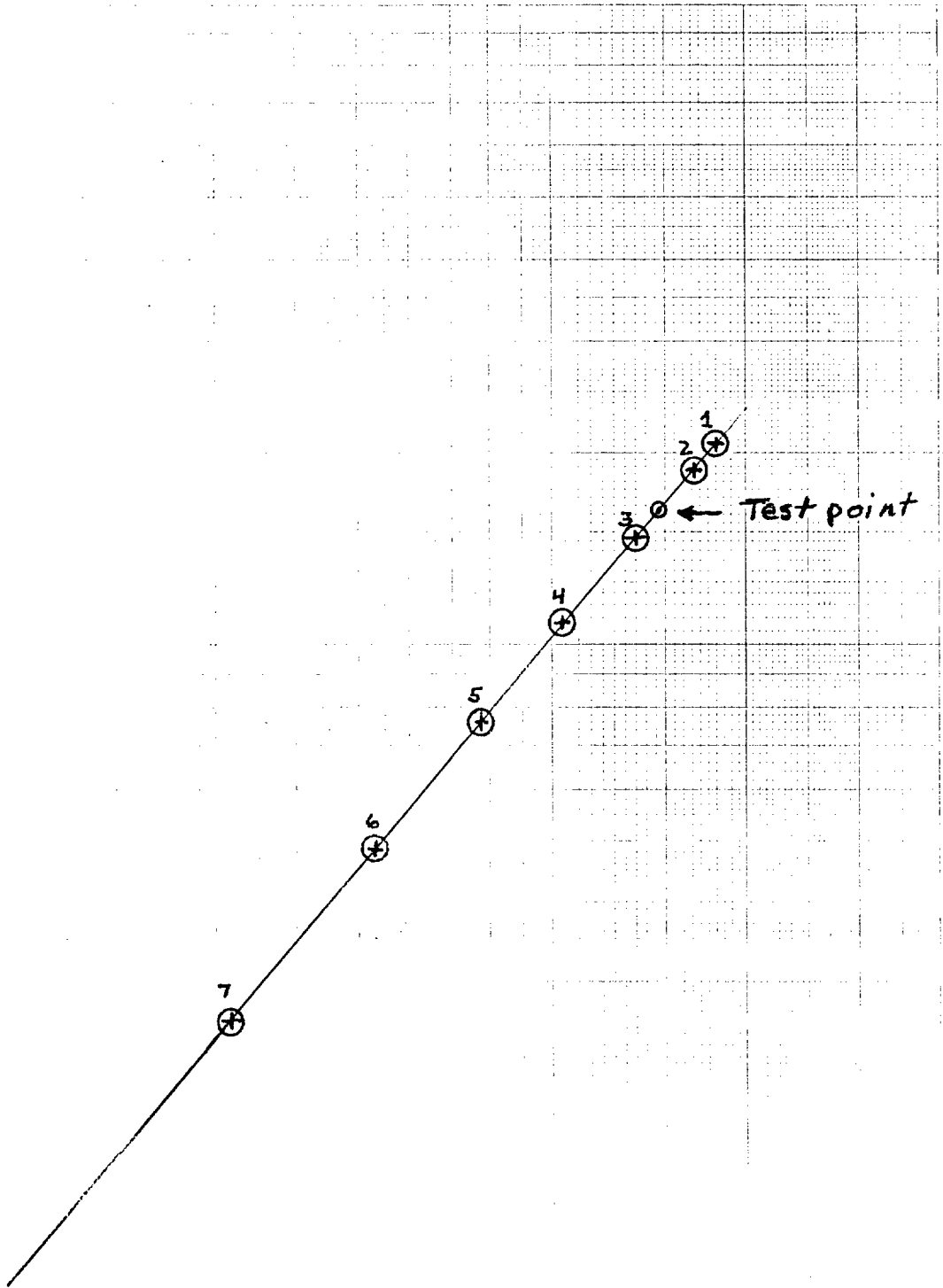
TABLE III -ECONOMICS

YEAR	AVG. PROD. RATE (MCFD)	YEARLY PROD. (MCF)	WORKING INTEREST				DISCOUNT FACTOR	DISCOUNT VALUE(\$)	DISCOUNT VALUE(\$)	W.I. COST PAYOUT
			YEARLY PROD. (MCF)	VALUE (\$)	LESS TAXES	LESS OPER. COST & PROFIT				
1	1054	384,710	336,621	1,191,639	1,084,392	1,081,211	0.8926	965,090	903,690	

\$61,400

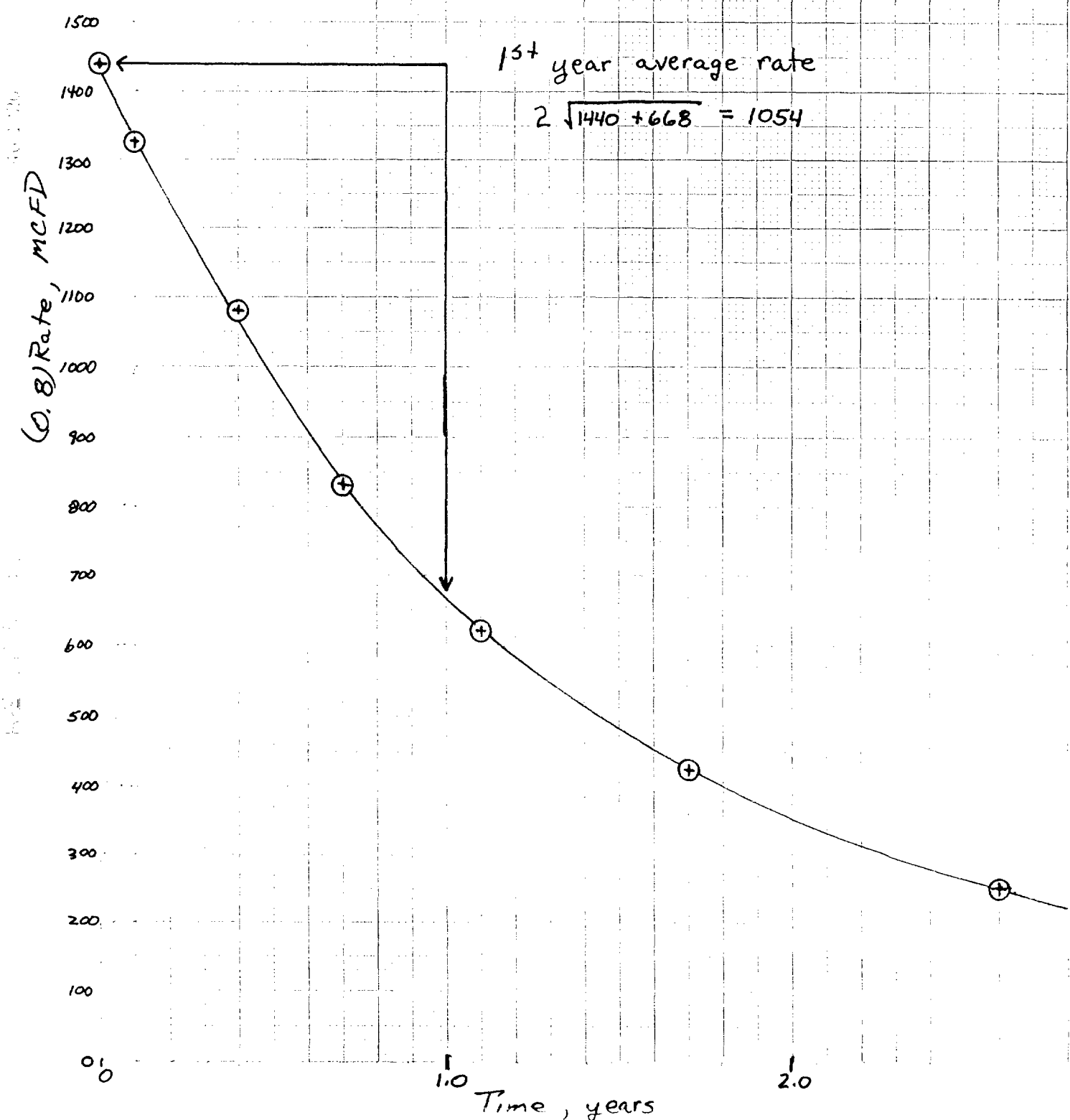
Gallegos Canyon Unit #347
 $\Delta(P^2)$ vs. Q .

$\Delta(P^2) \times 10^4$

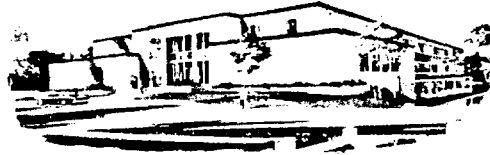


$Q \times 10^2, \text{ mCFD}$

Gallegos Canyon (Unit #34)
(0.8) Rate vs. Q



State of New Mexico



JIM BACA
COMMISSIONER

Commissioner of Public Lands

May 8, 1985

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148
Express Mail Delivery Use:
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

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

Re: Supplemental 1985 Plan of Development
Gallegos Canyon Unit
San Juan County, New Mexico
Pictured Cliffs, Farmington, and
Fruitland Formations

ATTENTION: Mr. R. J. Criswell

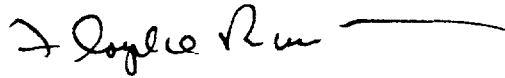
Gentlemen:

The Commissioner of Public Lands has this date approved your 1985 Plan of Development for the Gallegos Canyon Unit Area, San Juan County, New Mexico. This supplemental plan proposes to drill the Unit Well Nos. 350 through 355 to the Pictured Cliffs Zone, and the Well Nos. 356 through 361 to the Fruitland Zone. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Enclosed is an approved copy for your files.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

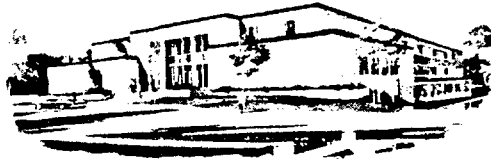
BY: 
FLOYD O. PRANDO, Assistant Director
Oil and Gas Division
AC 505/827-5744

JB/FOP/pm
encls.

cc: OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico Attn: Fluids Branch
BLM-Roswell, New Mexico Attn: Mr. Armando Lopez

State of New Mexico

#247



JIM BACA
COMMISSIONER

Commissioner of Public Lands

May 7, 1985

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148
Express Mail Delivery User
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

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

Re: 1985 Plan of Development
San Juan County, New Mexico
Gallegos Canyon Unit
Pictured Cliffs, Farmington and
Fruitland Formations

ATTENTION: Mr. R. J. Criswell

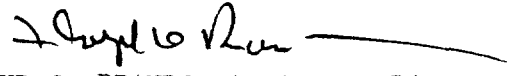
Gentlemen:

The Commissioner of Public Lands has this date approved your 1985 Plan of Development for the Gallegos Canyon Unit Area, San Juan County, New Mexico. Such plan proposes no wells to be drilled for 1985, but it is anticipated that once Sub-Operator has completed all the wells drilled in 1984 the possibility of 12 additional wells will be proposed for drilling in late 1985. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Enclosed is an approved copy for your files.

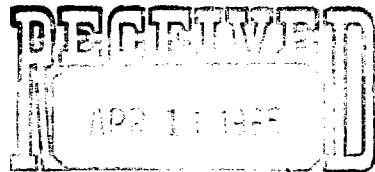
Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: 
FLOYD O. PRANDO, Assistant Director
Oil and Gas Division
AC 505/827-5744

JB/RDG/pm
encls.

cc: OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico Attn: Fluids Branch
BLM-Roswell, New Mexico Attn: Mr. Armando Lopez



Amoco Production Company

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

R. J. Criswell
Division Production Manager

OIL CONSERVATION COMMISSION
SANTA FE

OK
4-15-85

April 8, 1985

BUREAU of LAND MANAGEMENT
Post Office Box 1449
Santa Fe, New Mexico 87501

NEW MEXICO STATE LAND OFFICE
Oil and Gas Development
Post Office Box 1148
Santa Fe, New Mexico 87501-1148

OIL CONSERVATION COMMISSION
State of New Mexico
Post Office Box 2088
Santa Fe, New Mexico 87501

OFFICE of DISTRICT ENGINEER
Bureau of Land Management
Post Office Box 959
Farmington, New Mexico 87401

File: JTM-74-416

Supplemental 1985 Plan of Development
San Juan County, New Mexico
Gallegos Canyon Unit
Pictured Cliffs, Farmington and Fruitland Formations

Amoco's 1985 Plan of Development for the subject formations was submitted on March 12, 1985. The plan indicated that approximately twelve wells would be proposed for drilling in 1985 in an amended plan. Attached is a detailed list of the wells Amoco is proposing to drill in 1985.

We respectfully submit this Supplemental Plan of Development and request your approval. Please provide notice to both Amoco and Energy Reserves Group (sub-operator).

Very truly yours,

Original Signed By:
R. J. Criswell

BAM/pjg

cc: Energy Reserves Group

PROPOSED
1985 GALLEGOS
CANYON UNIT WELLS

<u>WELL NUMBER</u>	<u>LOCATION</u>	<u>ESTIMATED TOTAL DEPTH</u>	<u>ANTICIPATED COMPLETION ZONE</u>
350	NE SE Sec. 33 T29N-R12W	1550'	Pictured Cliffs
351	SE SE Sec. 10 T28N-R12W	1640'	Pictured Cliffs
352	NE NE Sec. 14 T28N-R12W	1580'	Pictured Cliffs
353	NE SE Sec. 22 T28N-R12W	1590'	Pictured Cliffs
354	NE SE Sec. 29 T28N-R12W	1690'	Pictured Cliffs
355	NW SW Sec. 4 T27N-R12W	1470'	Pictured Cliffs
356	SE NE Sec. 19 T29N-R12W	1215'	Fruitland
357	NW NE Sec. 29 T29N-R12W	1070'	Fruitland
358	SW SE Sec. 29 T29N-R12W	1160'	Fruitland
359	SW SW Sec. 10 T28N-R12W	1230'	Fruitland
360	NW NW Sec. 14 T28N-R12W	1420'	Fruitland
361	SE NE Sec. 15 T28N-R12W	1280'	Fruitland

Bureau of Land Management
Albuquerque District Office
Minerals Division
P.O. Box 6770
Albuquerque, NM 87197-6770

Gallegos Canyon
Unit (015)

APR 15 1985

Amoco Production Company
Attention: R.J. Criswell
P.O. Box 800
Denver, Colorado 80201

Gentlemen:

An approved copy of your 1985 Plan of Development for the Gallegos Canyon Unit area, San Juan County, is enclosed. Such plan, tentatively proposing no drilling until late 1985, was approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

Sincerely yours,

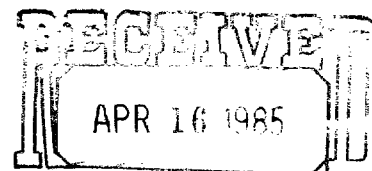
(ORIG. SGD.) DENNIS B. UMSHLER

For District Manager

Enclosure(s)

cc:
Area Director, BIA, NAO, Window Rock, AZ
✓ AMOCD, Santa Fe
Comm. of Pub. Lands, Santa Fe
Micrographics 943B-1
Fluids Section FRAH
File: Gallegos Canyon POD
O&G Chron

015:RBartel:tt:4/8/85:0605m



OIL CONSERVATION DISTRICT
SANTA FE



TONEY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

50 YEARS



1935 - 1985

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

April 15, 1985

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

Attention: R. J. Criswell

Re: Supplemental 1985 Plan
of Development, San Juan
County, New Mexico,
Gallegos Canyon Unit,
Pictured Cliffs,
Farmington, and Fruitland
Formations

Dear Mr. Criswell:

The above referenced submittal has been approved by the New Mexico Oil Conservation Division effective this date. Such approval is contingent upon like approval by the New Mexico Commissioner of Public Lands and the Bureau of Land Management.

Sincerely,

ROY E. JOHNSON
Senior Petroleum Geologist

REJ/dp

cc: Commissioner of Public Lands - Santa Fe
Bureau of Land Management - Albuquerque
OCD District Office - Aztec



TONEY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

50 YEARS



1935 - 1985

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

March 25, 1985

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

Attention: R. J. Criswell

Re: 1985 Plan of Development
San Juan County, NM
Gallegos Canyon Unit
Pictured Cliffs,
Farmington and Fruitland
Formations

Dear Mr. Criswell:

The above referenced submittal has been approved by the New Mexico Oil Conservation Division effective this date. Such approval is contingent upon like approval by the New Mexico Commissioner of Public Lands and the Bureau of Land Management.

Sincerely,

ROY E. JOHNSON
Senior Petroleum Geologist

REJ/dp

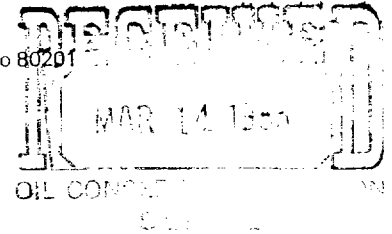
cc: Commissioner of Public Lands - Santa Fe
Bureau of Land Management - Albuquerque
OCD District Office - Aztec



#247

Amoco Production Company

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



R. J. Criswell
Division Production Manager

March 12, 1985

BUREAU OF LAND MANAGEMENT
Post Office Box 1449
Santa Fe, New Mexico 87501

NEW MEXICO STATE LAND OFFICE
Oil and Gas Development
Post Office Box 1148
Santa Fe, New Mexico 87501-1148

OIL CONSERVATION COMMISSION
State of New Mexico
Post Office Box 2088
Santa Fe, New Mexico 87501

OFFICE OF DISTRICT ENGINEER
Bureau of Land Management
Post Office Box 959
Farmington, New Mexico 87401

File: JTM-53-416

1985 Plan of Development
San Juan County, New Mexico
Gallegos Canyon Unit
Pictured Cliffs, Farmington and Fruitland Formations

Amoco Production Company, as Operator of the Gallegos Canyon Unit, on behalf of the Sub-Operator of certain unit lands, Energy Reserves Group, Inc., proposes a plan of development for 1985 as follows:

Brief History

The Gallegos Canyon Unit was approved effective July 25, 1951. The Pictured Cliffs, Fruitland, Farmington, Gallup and Dakota Formations have been productive and the unit area has contracted to the Dakota participating area operated by Amoco Production Company.

Amoco designated Energy Reserves Group as Sub-Operator as to certain lands from the surface down to the base of the Pictured Cliffs Formation, which you acknowledged in your June 19, 1980 letter.

1984 Activity

Reference is made to the 1984 Amended Plan of Development dated June 14, 1984 which added twelve specific locations

Bureau of Land Management, et al.,
 March 12, 1985
 Page 2

which were, in fact, commenced in 1984. The status of each well drilled is as follows:

<u>WELL #</u>	<u>STATUS</u>	<u>COMPLETION DATE</u>	<u>FORMATION</u>	<u>INITIAL POTENTIAL</u>
337	SI-Waiting on Pipeline	12/30/84	Pictured Cliffs	415 MCFD
338	SI-Waiting on Pipeline	01/08/85	Pictured Cliffs	193 MCFD
340	Completing	Completing	Pictured Cliffs	----
341	Completing	Completing	Pictured Cliffs	----
342	SI-Waiting on Pipeline	02/07/85	Pictured Cliffs	228 MCFD
343	SI-Waiting on Pipeline	01/03/85	Pictured Cliffs	415 MCFD
344	SI-Waiting on Pipeline	02/19/85	Fruitland	721 MCFD
345	Plugged and Abandoned	01/24/85	Fruitland	---
346	SI-Waiting on Pipeline	02/18/85	Fruitland	415 MCFD
347	Producing Gas Well	12/27/85	Pictured Cliffs	2937 MCFD
348	Completing	Completing	Farmington	----
349	Completing	Completing	Farmington	----

Total cumulative and 1984 production is as follows:

Pictured Cliffs Formation

Cumulative to 01/01/85: 67,457.047 MMCF
 1984 Production: 4,587.311 MMCF

Farmington Formation

Cumulative to 01/01/85: 33.240 MMCF
 1984 Production: 8.052 MMCF

Fruitland Formation**

Cumulative to 01/01/85: 659.956 MMCF
 1984 Production: 213.258 MMCF

**Note that this production is from the Fruitland Formation wells operated by Energy Reserves Group, Inc. and does not include the production from the initial Fruitland participating area. The initial PA is operated by AMOCO and is not contiguous to the other Fruitland PAs. During 1983 the BLM approved participating areas for the Fruitland "B," "C," "D," and the first enlargement to "C," and the Farmington "A." Energy Reserves Group, Inc. is awaiting the final completion of unit wells #348 and #349 before submitting the various participating area applications for expansions to the Fruitland and Farmington producing areas.

Bureau of Land Management, et al.,
March 12, 1985
Page 3

1985 Plan of Development

To date, no wells have been proposed by Sub-Operator or Non-Operators for 1985, but it is anticipated that once Sub-Operator has completed all the wells drilled in 1984 and has reviewed production performance, that approximately twelve (12) wells will be proposed for drilling in late 1985. It is anticipated that half would be for Pictured Cliffs production and half would be for Fruitland production. Specific locations will be submitted in a supplemental Plan of Development.

We respectfully submit this plan of development and request your approval of same. Please provide notice to both AMOCO and Energy Reserves Group as your approval.

Very truly yours,
Original Signed
R. J. Critwell By
J. T. McKenzie, Jr.

AMOCO PRODUCTION COMPANY

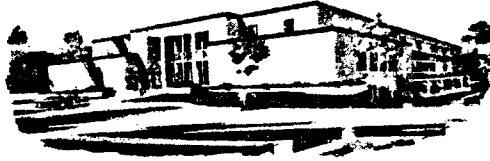
BAM/mgb

cc:
Energy Reserves Group, Inc.
Working Interest Owners

LTR464

State of New Mexico

#247



Commissioner of Public Lands

March 6, 1985

JIM BACA
COMMISSIONER

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148
Express Mail Delivery Uses:
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

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

Re: 1985 Plan of Development and Operation
Gallegos Canyon Unit
Dakota and Gallup Formations
San Juan County, New Mexico

ATTENTION: Mr. J. C. Burnside

Gentlemen:

The Commissioner of Public Lands has this date approved your 1985 Plan of Development and Operation for the Gallegos Canyon Unit, Dakota and Gallup Formations, San Juan County, New Mexico. Such plan calls for the drilling of 51 Dakota wells and initiating a Gallup testing program by dually completing some of the wells. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Enclosed is an approved copy for your files.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: *Ray D. Graham*
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-5744

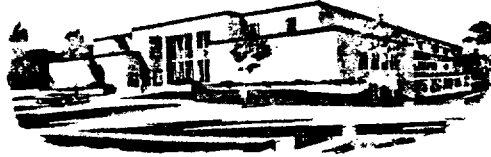
JB/RDG/pm
encls.
cc:

OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico Attn: Fluids Branch
BLM-Roswell, New Mexico Attn: Mr. Armando Lopez

State of New Mexico



JIM BACA
COMMISSIONER



Commissioner of Public Lands

March 6, 1985

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

Express Mail Delivery Uses:
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

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

Re: Revision to 1985 Plan of Development
and Operation-Gallegos Canyon Unit
San Juan County, New Mexico

ATTENTION: Mr. R. J. Criswell

Gentlemen:

The Commissioner of Public Lands has this date approved your Revision to the 1985 Plan of Development for the Gallegos Canyon Unit, San Juan County, New Mexico. Such revision advises that you will not drill the GCU #138E, the Well Number GCU #201E should be 138E, The Well Number GCU #266 should be 206E, The Well #266E should be 201E and the Well #268 should be 222E. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Enclosed is an approved copy for your files.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

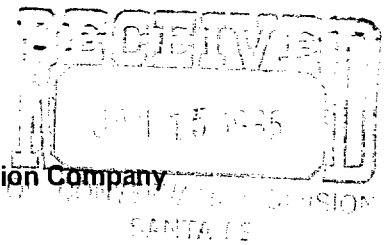
BY: *Ray D. Graham*
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-5744

JB/RDG/pm
encls.

cc: OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico
BLM-Roswell, New Mexico



Case #247



Amoco Production Company

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

R. J. Criswell
Division Production Manager

January 11, 1985

Bureau of Land Management
Post Office Box 6770
Albuquerque, New Mexico 87197-6770

Commissioner of Public Lands
State of New Mexico
Post Office Box 1148
Santa Fe, New Mexico 87501

Attention: Fluids Branch

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

File: RKB-035-416

Gentlemen:

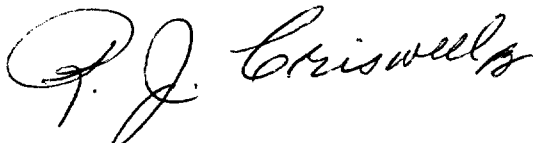
Revision to 1985 Plan of Development and Operation
Gallegos Canyon Unit
San Juan County, New Mexico

Amoco Production Company, unit operator of the Gallegos Canyon Unit (GCU) submits for your consideration and approval the following revisions to the 1985 Plan of Development which has previously been submitted:

- 1) WE WILL NOT DRILL THE GCU #138E.
- 2) THE WELL NUMBER OF THE GCU #201E SHOULD BE 138E.
- 3) THE WELL NUMBER OF THE GCU #266 SHOULD BE 206E.
- 4) THE WELL NUMBER OF THE GCU #266E SHOULD BE 201E.
- 5) THE WELL NUMBER OF THE GCU #268 SHOULD BE 222E.

Bureau of Land Management
January 11, 1985
Page -2-

We have made these revisions because of Order No. R-1814 which established non-standard proration units for the partial sections located within Township 28 north.

A handwritten signature in cursive script, appearing to read "F. J. Criswell". The signature is written in dark ink and is positioned above the typed name "LDD/pjg".

LDD/pjg



United States Department of the Interior

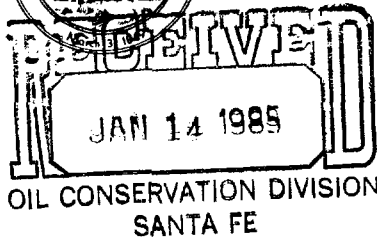
Gallegos Canyon
Unit (015)

BUREAU OF LAND MANAGEMENT ALBUQUERQUE DISTRICT OFFICE

505 Marquette, N.W.

P.O. Box 6770

Albuquerque, New Mexico 87197-6770



JAN 9 1985

Amoco Production Company
Attention: Mr. J.C. Burnside
P.O. Box 800
Denver, Colorado 80201

Gentlemen:

One approved copy of your 1985 Plan of Development for the Gallegos Canyon Unit area, San Juan County, New Mexico is enclosed. Such plan, proposing the drilling of 51 Dakota wells and initiating a Gallup testing program by dually completing some of the wells, was approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

The Application for Permit to Drill (APD) for each of the subject wells should be submitted to the Farmington Resource Area Office for approval.

The possibility might exist of drainage by wells outside of the unit, boundary. You will be contacted at a later date about this possibility.

Sincerely yours,

(ORIG. SGD.) GARY A. STEPHENS

For District Manager

Enclosure

cc:

NMOCD, Santa Fe
Comm. of Pub. Lands, Santa Fe
Micrographics 943B-4 (w/enc.)
Fluids Section FRAH
File: Gallegos Canyon Unit POD
O&G Chron

015: JClancy:tt:1/8/85:0353M



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

247

TONEY ANAYA
GOVERNOR

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

November 8, 1984

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

Attention: J. C. Burnside

Re: 1985 Plan of Development
and Operation - Gallegos
Canyon Unit - Dakota and
Gallup Formations, San
Juan County, New Mexico

Dear Mr. Burnside:

The above referenced submittal has been approved by the New Mexico Oil Conservation Division effective this date. Such approval is contingent upon like approval by the New Mexico Commissioner of Public Lands and the Bureau of Land Management.

Sincerely,

A handwritten signature in cursive script, reading "Roy E. Johnson".

ROY E. JOHNSON
Senior Petroleum Geologist

REJ/dp

cc: Commissioner of Public Lands - Santa Fe
Bureau of Land Management - Albuquerque
OCD District Office - Aztec



J. C. Burnside
Division Production Manager

#247

Amoco Production Company

Western Division
1670 Broadway
Post Office Box 800
Denver, Colorado 80201
303-830-4040

November 6, 1984

Mr. J. W. Sutherland (5)
United States Department
of the Interior
Minerals Management Service
Post Office Box 26124
Albuquerque, New Mexico 87125

Commissioner of Public Lands
State of New Mexico
Post Office Box 1148
Santa Fe, New Mexico 87501

NM Oil Conservation Division (3) WORKING INTEREST OWNERS
State of New Mexico (See the Attached List)
Post Office Box 2088
Santa Fe, New Mexico 87501

File: JTM-344-416

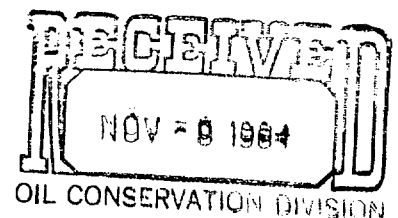
Gentlemen:

1985 Plan of Development and Operation
Gallegos Canyon Unit - Dakota and Gallup Formations
San Juan County, New Mexico

Amoco Production Company, Unit Operator of the Gallegos Canyon Unit (GCU), submits for your consideration and approval the following Plan of Development for the year 1985.

DAKOTA FORMATION

The Gallegos Canyon Unit was formed in November, 1950, for the development of the West Kutz Pictured Cliffs and Gallup Pools. The Dakota zone was later established to be productive in 1952. Since that time the Dakota participating area has been enlarged several times and presently contains 41,529 acres. The first Gallegos Canyon Unit Dakota well, the Gallegos Canyon Unit No. 8 was drilled in January, 1952, on a 320 acre well spacing. In 1961, 13 additional Gallegos Canyon Unit Dakota wells were drilled. From 1963 through 1966, 119 Dakota wells



Mr. J. W. Sutherland
November 6, 1984
Page -2-

were drilled, of which five were dry holes. In December, 1970, the Gallegos Canyon Unit No. 264 was drilled, completing development of the Unit on single well - 320 acre spacing. This completion made a total of 128 producing wells.

Through October 18, 1984, 79 Dakota infill wells have been drilled in GCU. Of the 79 wells, only two have been drilled in 1984. Two others are currently drilling and a total of nine wells are planned to be drilled before the end of 1984. The 8 remaining wells of the 17 originally planned for 1984 will be carried over into 1985 unless permits for drilling are received and the wells can be completed before the end of the year, (see Attachment #1). Production in GCU is currently averaging approximately 24 MMCFD from 196 producing Dakota wells.

GALLUP FORMATION

In 1959, the GCU #83 well was dual completed in the Dakota and Gallup formations. As a result of the Gallup completion, the GCU Gallup "A" Participating Area was formed. The Gallup "A" P.A. currently contains 4 wells with the last well being drilled in 1962. Amoco is currently waiting on Working Interest Owners approval to dual complete the GCU #230E (currently drilling) in the Dakota and Gallup. The well is located within the Gallup "A" P.A. Production in the Gallup "A" P.A. is currently averaging approximately 9 BOPD.

In 1960, drilling along the Totah Gallup Field trend began in GCU and spawned the formation of the Gallup "B" Participating Area. No wells in GCU are currently producing in the Gallup "B" P.A.

In 1961, drilling in GCU began along the Cha Cha Gallup Field trend and, as a result, the Gallup "C" Participating Area was formed. Aztec Oil and Gas Company has been designated Agent of the Gallup "C" P.A. and is responsible for drilling operations within the P.A. There are currently four producing wells in the Gallup "C" P.A. and production is averaging approximately 18 BOPD.

Mr. J. W. Sutherland
November 6, 1984
Page -3-

PLAN OF ACTION

On May 22, 1979, the New Mexico Oil Conservation District approved the drilling of an additional well on each 320 acre spacing unit in the Dakota (Order No. R-1670-V). Since that time, Amoco has been drilling infill Dakota wells within GCU. In 1985, Amoco is planning to drill 51 additional Dakota wells, 8 of which will be carry-overs from 1984. The wells names, including their locations, are shown on Attachment #2. If Amoco is able to drill and complete all of the wells listed, it will complete the Dakota infill drilling program within GCU.

Most of the wells listed on Attachment #2 have potential for Gallup production, in addition to Dakota production. Amoco plans to initiate a Gallup testing program by dual completing some of the planned Dakota wells. If found to be successful, a larger number of the wells will be dual completed in Dakota and Gallup.

Amoco therefore submits, as Unit Operator, the attached list of wells planned for drilling in 1985 within the Gallegos Canyon Unit. Amoco requests approval to drill all wells on the attached list and complete the wells in the Gallup and/or Dakota Formations. Approval request for any expansions of the Gallup Participating Areas will be handled separately. Your early approval of this Plan of Development for 1985 would be appreciated.

Very truly yours,

Original Signed
J. C. Burnside

BAM/pjg

Attachments

GALLEGOS CANYON UNIT
1984 PLAN OF DEVELOPMENT

GCU	83E	NW/4	SECTION 26-T28N-R12W
*GCU	89E	SW/4	SECTION 6-T27N-R12W
*GCU	90E	SE/4	SECTION 35-T28N-R13W
*GCU	137E	SW/4	SECTION 36-T28N-R13W
GCU	139E	SW/4	SECTION 18-T28N-R11W
*GCU	165E	SE/4	SECTION 29-T28N-R12W
*GCU	175E	SW/4	SECTION 25-T28N-R13W
GCU	177E	NE/4	SECTION 31-T28N-R12W
GCU	183E	NW/4	SECTION 9-T27N-R12W
*GCU	191E	NE/4	SECTION 32-T28N-R12W
*GCU	194E	SW/4	SECTION 5-T27N-R12W
GCU	198E	SE/4	SECTION 20-T28N-R12W
*GCU	215E	SE/4	SECTION 16-T28N-R12W
GCU	224E	SE/4	SECTION 18-T28N-R12W
GCU	230E	SE/4	SECTION 23-T28N-R12W
GCU	231E	NW/4	SECTION 27-T28N-R12W
GCU	241E	SW/4	SECTION 29-T28N-R12W

*WILL BE CARRIED-OVER INTO 1985 UNLESS NEW APD'S ARE RECEIVED AND DRILLING CAN COMMENCE BEFORE THE END OF 1984.

BAM/PJG
 11/06/84

GALLEGOS CANYON UNIT
1984 PLAN OF DEVELOPMENT

GCU	8E	SE/4	SECTION 22-T28N-R12W
GCU	84E	NE/4	SECTION 26-T28N-R13W
*GCU	89E	SW/4	SECTION 6-T27N-R12W
*GCU	90E	SE/4	SECTION 35-T28N-R13W
GCU	102E	NE/4	SECTION 13-T29N-R13W
GCU	107E	SW/4	SECTION 19-T29N-R12W
GCU	109E	NW/4	SECTION 18-T29N-R12W
GCU	124E	SW/4	SECTION 35-T28N-R12W
GCU	135E	NE/4	SECTION 26-T29N-R13W
*GCU	137E	SW/4	SECTION 35-T28N-R13W
GCU	138E	SW/4	SECTION 7-T28N-R11W
GCU	146E	NE/4	SECTION 6-T27N-R12W
GCU	147E	NE/4	SECTION 4-T27N-R12W
GCU	155E	NW/4	SECTION 23-T28N-R13W
GCU	156E	SW/4	SECTION 26-T28N-R13W
GCU	157E	NW/4	SECTION 35-T28N-R13W
*GCU	165E	SE/4	SECTION 29-T28N-R12W
GCU	171E	NE/4	SECTION 25-T29N-R13W
*GCU	175E	SW/4	SECTION 25-T28N-R13W
GCU	178E	SW/4	SECTION 4-T27N-R12W
GCU	183R	NE/4	SECTION 9-T27N-R12W
*GCU	191E	NE/4	SECTION 32-T28N-R12W
*GCU	194E	SW/4	SECTION 5-T27N-R12W
GCU	201E	SE/4	SECTION 12-T28N-R12W
GCU	205E	SE/4	SECTION 17-T28N-R12W
GCU	213E	SW/4	SECTION 8-T28N-R12W
GCU	214E	NW/4	SECTION 16-T28N-R12W
*GCU	215E	SE/4	SECTION 16-T28N-R12W
GCU	223E	SE/4	SECTION 9-T28N-R12W

GCU	232E	SE/4	SECTION 26-T28N-R12W
GCU	233E	SE/4	SECTION 27-T28N-R12W
GCU	234E	NW/4	SECTION 14-T28N-R13W
GCU	235E	SE/4	SECTION 13-T28N-R13W
GCU	236E	SW/4	SECTION 14-T28N-R13W
GCU	236R	SE/4	SECTION 14-T28N-R13W
GCU	237E	NW/4	SECTION 13-T28N-R13W
GCU	238E	SE/4	SECTION 23-T28N-R13W
GCU	238R	NE/4	SECTION 23-T28N-R13W
GCU	240E	NW/4	SECTION 24-T28N-R13W
GCU	244E	SW/4	SECTION 36-T28N-R12W
GCU	245E	NE/4	SECTION 36-T28N-R12W
GCU	247E	SE/4	SECTION 5-T27N-R12W
GCU	262E	SE/4	SECTION 24-T29N-R13W
GCU	264E	NE/4	SECTION 17-T28N-R12W
GCU	265E	SW/4	SECTION 25-T28N-R12W
GCU	266	SW/4	SECTION 11-T28N-R12W
GCU	266E	SE/4	SECTION 11-T28N-R12W
GCU	267	NW/4	SECTION 25-T28N-R12W
GCU	267E	NE/4	SECTION 25-T28N-R12W
GCU	268	SE/4	SECTION 12-T28N-R13W
GCU	269	NW/4	SECTION 22-T29N-R12W

*CARRIED-OVER FROM 1984 POD.

BAM/PJG
11/06/84



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5600

July 11, 1984

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

Attention: J. C. Burnside

Re: 1984 Amended Plan of
Development, San Juan
County, New Mexico,
Gallegos Canyon Unit
Pictured Cliffs,
Farmington and Fruitland
Formations

Dear Mr. Burnside:

The above referenced submittal has been approved by the New Mexico Oil Conservation Division effective this date. Such approval is contingent upon like approval by the New Mexico Commissioner of Public Lands and the Bureau of Land Management.

Sincerely,

A handwritten signature in cursive script that reads "Roy E. Johnson".

ROY E. JOHNSON
Petroleum Geologist

REJ/dp

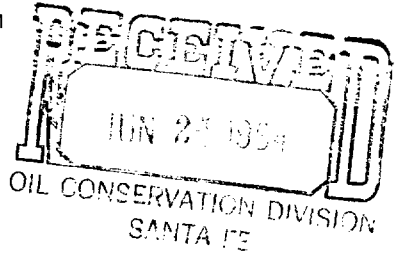
cc: Commissioner of Public Lands - Santa Fe
Bureau of Land Management - Albuquerque
Energy Reserves Group, Incorporated
OCD District Office - Aztec



ok

Amoco Production Company

Western Division
1670 Broadway
Post Office Box 800
Denver, Colorado 80201
303-830-4040



#247

J. C. Burnside
Division Production Manager

June 14, 1984

Bureau of Land Management
Post Office Box 1449
Santa Fe, New Mexico 87501

Commissioner of Public Lands
State of New Mexico
Santa Fe, New Mexico 87501

Oil Conservation Commission ←
State of New Mexico
Post Office Box 2088
Santa Fe, New Mexico 87501

Office of District Engineer
Bureau of Land Management
Post Office Box 959
Farmington, New Mexico 87401

File: ~~JTM-131-416~~

1984 Amended Plan of Development
San Juan County, New Mexico
Gallegos Canyon Unit
Pictured Cliffs, Farmington and
Fruitland Formations

Amoco Production Company, as Operator of the Gallegos Canyon Unit, on behalf of the Sub-Operator of the Pictured Cliffs, Farmington and Fruitland Formations in the affected unit lands, proposes an amended plan of development for 1984. The plan, approved March 26, 1984, had indicated that we would be submitting additional locations for drilling and we anticipate that the attached list of locations will be drilled and completed by the Sub-Operator, Energy Reserves Group, Incorporated, in the third quarter of 1984.

We note that the well number 338 is included pursuant to the Bureau of Land Management's request for our review of offset drilling in the quarter section indicated.

We respectfully request your approval of this amended plan of development. Please notify both Amoco and Energy Reserves Group as to your approval.

Original Signed
J. C. Burnside

BAM/pjg
BAM

cc: Energy Reserves Group, Incorporated
Rocky Mountain Division
Trinity Place 500
11801 Broadway
Denver, Colorado 80201

Copies to
Amoco
and



<u>WELL NUMBER</u>	<u>LOCATIONS</u>	<u>OBJECTIVE</u>
337	SE SE SECTION 26-T28N-R12W	PICTURED CLIFFS
338	NE NW SECTION 9-T27N-R12W	PICTURED CLIFFS
340	NW NW SECTION 24-T29N-R13W	PICTURED CLIFFS
341	SW NW SECTION 16-T28N-R12W	PICTURED CLIFFS AND/OR FRUITLAND
342	SW NW SECTION 14-T28N-R12W	PICTURED CLIFFS AND/OR FRUITLAND
343	NE NE SECTION 26-T28N-R12W	PICTURED CLIFFS
344	NE SW SECTION 29-T29N-R12W	FRUITLAND
345	SE NE SECTION 32-T29N-R12W	FRUITLAND
346	SW NW SECTION 15-T28N-R12W	FRUITLAND
347	NW SE SECTION 15-T28N-R12W	FRUITLAND
348	SE SE SECTION 24-T29N-R13W	FARMINGTON
349	SE SE SECTION 29-T29N-R12W	FARMINGTON



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

#247

TONEY ANAYA
GOVERNOR

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

March 26, 1984

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

Attention: J. C. Burnside

Re: 1984 Plan of Development
and Operation
Gallegos Canyon Unit
Dakota Formation - San
Juan County, NM

Dear Mr. Burnside:

The above referenced submittal has been approved by the New Mexico Oil Conservation Division effective this date. Such approval is contingent upon like approval by the New Mexico Commissioner of Public Lands and the Bureau of Land Management.

Sincerely,

ROY E. JOHNSON
Petroleum Geologist

REJ/dp

cc: Commissioner of Public Lands - Santa Fe
Bureau of Land Management - Albuquerque
OCD District Office - Aztec



J. C. Burnside
Division Production Manager

March 12, 1984

Mr. J. W. Sutherland (5)
United States Department
of the Interior
Minerals Management Service
P. O. Box 26124
Albuquerque, NM 87125

NM Oil Conservation Division (3)
State of New Mexico
P. O. Box 2088
Santa Fe, NM 87501

File: DAW-398-416

Gentlemen:

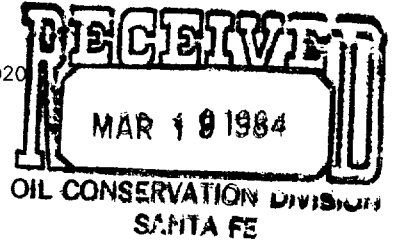
1984 Plan of Development and Operation
Gallegos Canyon Unit - Dakota Formation
San Juan County, New Mexico

Amoco Production Company, Unit Operator of the Gallegos Canyon Unit (GCU), submits for your consideration and approval the following Plan of Development for the year 1984.

The Gallegos Canyon Unit was formed in November, 1950, for the development of the West Kutz Pictured Cliffs and Gallup Pools. The Dakota zone was later established to be productive in 1952. Since that time the Dakota participating area has been enlarged several times and presently contains 41,529 acres. The first Gallegos Canyon Unit Dakota well, the Gallegos Canyon Unit No. 8 was drilled in January, 1952, on a 320 acre well spacing. In 1961, 13 additional Gallegos Canyon Unit Dakota wells were drilled. From 1963 through 1966, 119 Dakota wells were drilled, of which five were dry holes. In December, 1970, the Gallegos Canyon Unit No. 264 was drilled, completing development of the Unit on single well-320 acre spacing. This completion made a total of 128 producing wells.

Amoco Production Company

Far West Division
1670 Broadway
P.O. Box 800
Denver, Colorado 80202
303-830-4040



Commissioner of Public Lands
State of New Mexico
P. O. Box 1148
Santa Fe, NM 87501

Working Interest Owners
March 12, 1984
Page 2

Through December 31, 1983, 77 Dakota infill wells will have been drilled in GCU. Of these 77 wells, eight will have been drilled in 1983 (See Attachment 1). All of the wells on the 1984 Plan of Development (POD) have been carried over from the 1983 POD due to problems in obtaining gas sales line connection rights-of-way. Production in GCU is currently averaging 20.1 MMCFD from 195 producing Dakota wells.

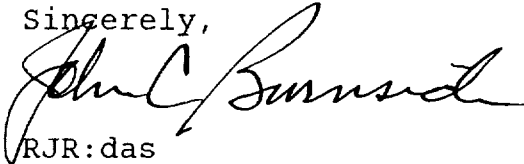
Plan of Action

On May 22, 1979, the New Mexico Oil Conservation District approved the drilling of an additional well on each 320 acre spacing unit in the Basin Dakota Field (Order No. R-1670-V). Since that time, Amoco has initiated infill drilling within the Gallegos Canyon Unit. During 1984, 17 wells will be drilled in GCU. These well names, including their location, are shown on Attachment 2. Also, attached is a map of the GCU which includes drilled and proposed well locations.

All of the proposed 1984 drilling locations are located on Navajo allotted lands or on lands located within the Navajo Irrigational Project. Due to delays experienced in the past in receiving rights-of-way to connect gas sales lines (up to two years in some cases), some of the wells listed on Attachment 2 may not be drilled during 1984. However, Amoco will diligently proceed in attempting to obtain these rights-of-way and drill as many wells as possible.

Amoco Production Company, as Unit Operator, hereby proposes the attached list of Basin Dakota infill wells for 1984 drilling in the Gallegos Canyon Unit. Your early approval of this Plan of Development for 1984 would be deeply appreciated.

Sincerely,



RJR:das

Attachments

LTR489

GALLEGOS CANYON UNIT
WELLS DRILLED IN 1983

GCU	85E	SE/4	Section 19-T28N-R12W
GCU	158E	NE/4	Section 36-T28N-R13W
GCU	159E	SW/4	Section 31-T28N-R12W
GCU	176E	NE/4	Section 25-T28N-R13W
GCU	192E	NE/4	Section 30-T28N-R12W
GCU	193E	SW/4	Section 30-T28N-R12W
GCU	219E	NW/4	Section 23-T28N-R12W
GCU	228E	NW/4	Section 21-T28N-R12W

RJR/gjw
2/7/84
LTR878

GALLEGOS CANYON UNIT
1984 PLAN OF DEVELOPMENT

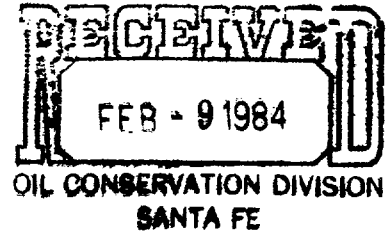
GCU	83E	NW/4	Section 26-T28N-R12W
GCU	89E	SW/4	Section 6-T27N-R12W
GCU	90E	SE/4	Section 35-T28N-R13W
GCU	137E	SW/4	Section 36-T28N-R13W
GCU	139E	SW/4	Section 18-T28N-R11W
GCU	165E	SE/4	Section 29-T28N-R12W
GCU	175E	SW/4	Section 25-T28N-R13W
GCU	177E	NE/4	Section 31-T28N-R12W
GCU	183E	NW/4	Section 9-T27N-R12W
GCU	191E	NE/4	Section 32-T28N-R12W
GCU	194E	SW/4	Section 5-T27N-R12W
GCU	198E	SE/4	Section 20-T28N-R12W
GCU	215E	SE/4	Section 16-T28N-R12W
GCU	224E	SE/4	Section 18-T28N-R12W
GCU	230E	SE/4	Section 23-T28N-R12W
GCU	231E	NW/4	Section 27-T28N-R12W
GCU	241E	SW/4	Section 29-T28N-R12W

RJR/gjw
2/7/84
LTR878

#247

Gallegos Canyon Unit

FEB 07 1984



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

Gentlemen:

One approved copy of your 1983 plan of development for the Gallegos Canyon unit area, (Fruitland and Pictured Cliffs formations) San Juan County, New Mexico is enclosed. Such plan, proposing to drill a Fruitland well, No. 339, and the Pictured Cliffs wells proposed in the 1982 plan of development with the exception of the No. 329 No. 337 and No. 338, was approved on this date subject to like approval by the appropriate officials of the State of New Mexico. You are requested to notify all interested parties.

The possibility might exist of drainage by wells outside of the unit boundary. You will be contacted at a later date about this possibility.

Sincerely yours,

(ORIG. SGD.) JAMES W. SHELTON

For District Manager

Enclosure

cc:

Commissioner of Public Lands
NMOCB
RA, Farmington (w/encl)
LAD 7-1
File: Gallegos Canyon Unit
O&G Chrono

015:MKeefe:dg295P:1/31/84



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

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

March 15, 1984

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

Attention: J. C. Burnside

Re: 1984 Plan of Development
San Juan County, NM
Gallegos Canyon Unit
Pictured Cliffs,
Farmington and Fruitland
Formations

Dear Mr. Burnside:

The above referenced submittal has been approved by the New Mexico Oil Conservation Division effective this date. Such approval is contingent upon like approval by the New Mexico Commissioner of Public Lands and the Bureau of Land Management.

Sincerely,

A handwritten signature in cursive script, reading "Roy E. Johnson".

ROY E. JOHNSON
Petroleum Geologist

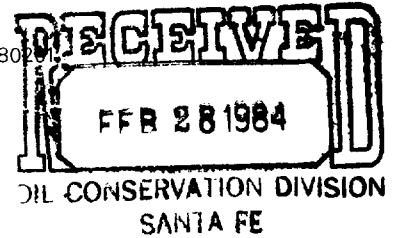
REJ/dp

cc: Commissioner of Public Lands - Santa Fe
Bureau of Land Management - Albuquerque
OCD District Office - Aztec



Amoco Production Company

Denver Region
1670 Broadway
P.O. Box 800
Denver, Colorado 80202
303-830-4040



February 21, 1984

Bureau of Land Management
P.O. Box 1449
Santa Fe, NM 87501

Commissioner of Public Lands
State of New Mexico
Santa Fe, NM 87501

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

Office of District Engineer
Bureau of Land Management
P.O. Box 6770
Albuquerque, NM 87197-6770

File: DAW-14-416

Gentlemen:

1984 Plan of Development
San Juan County, New Mexico
Gallegos Canyon Unit
Pictured Cliffs, Farmington and
Fruitland Formations

Amoco Production Company, as Operator of the Gallegos Canyon Unit, on behalf of the Sub-Operator of the Pictured Cliffs Formation, Energy Reserves Group, Inc., proposes a plan of development for 1984 as follows:

Brief History

The Gallegos Canyon Unit was approved effective July 25, 1951. The current Pictured Cliffs and Fruitland Formations have been productive and the Unit area has contracted to the Dakota participating area operated by Amoco Production Company.

Amoco designated Energy Reserves Group as Sub-Operator as to certain lands from the surface down to the base of the Pictured Cliffs Formation, which you acknowledged in your June 19, 1980, letter.

1983 Activity

Reference is made to the 1983 Supplemental Plan of Development dated October 31, 1983, which added one well location (#339)

Bureau of Land Management, et al.,
 February 21, 1984
 Page 2

and which indicated our intent to drill seven of the ten wells previously proposed under our plan of development. The status of each well drilled is as follows:

<u>Well #</u>	<u>Status</u>	<u>Completion Date</u>	<u>Formation</u>	<u>Initial Potential</u>
330	SI-Waiting on Pipeline	1/14/84	Pictured Cliffs	663 MCFD
331	SI-Waiting on Pipeline	1/16/84	Pictured Cliffs	408 MCFD
332	Completing	-----	-----	--- ----
333	SI-Waiting on Pipeline	1/19/84	Pictured Cliffs	391 MCFD
334	SI-Waiting on Pipeline	1/24/84	Pictured Cliffs	250 MCFD
335	SI-Waiting on Pipeline	1/25/84	Pictured Cliffs	228 MCFD
336	SI-Waiting on Pipeline	1/26/84	Pictured Cliffs	581 MCFD
339	W.O.C.T.	-----	-----	--- ----

Total cumulative and 1983 production is as follows:

Pictured Cliffs Formation
 Cumulative to 1/1/83: 61,277.402 MCFD
 1983 Production: 3,325.643 MCFD

Farmington Formation
 Cumulative to 1/1/83: 24.841
 1983 Production: 7.110

**Fruitland Formation
 Cumulative to 1/1/83: 408.667 MMCF
 1983 Production: 209.689 MMCF

**Note that this production is from the Fruitland Formation wells operated by Energy Reserves Group, Inc. which represents production from seven wells (#274, #306, #309, #310, #312, #319 and #328), and does not include the production from the original Fruitland participating area. The original PA is operated by Amoco and is not contiguous to the other Fruitland PAs. During 1983, the BLM approved participating areas for the Fruitland "B," "C," "D," and the first enlargement to "C," and the Farmington "A."

1984 Plan of Development

To date, no additional wells have been proposed by the Sub-Operator or Non-Operators for 1984, but it is anticipated that once the Sub-Operator has completed all the wells drilled in 1983 and has reviewed production perform-

Bureau of Land Management, et al.,
February 21, 1984
Page 3

ance, that further drilling will be proposed. Specific locations will be submitted in a supplemental Plan of Development.

We respectfully submit this plan of development and request your approval of same. Please provide notice to both Amoco and Energy Reserves Group as to your approval.

Very truly yours,

Original Signed
J. C. Burnside by DAW

J. C. Burnside

RJR/daw

cc: Energy Reserves Group, Inc.

LTR070



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONY ANAYA
GOVERNOR

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

November 15, 1983

#247

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

Attention: J. C. Burnside

Re: Supplemental Plan of
Development for 1983
Fruitland Formation
Gallegos Canyon Unit
San Juan County, NM

Dear Mr. Burnside:

The above referenced submittal has been approved by the New Mexico Oil Conservation Division effective this date. Such approval is contingent upon like approval by the New Mexico Commissioner of Public Lands and the Bureau of Land Management.

Sincerely,

A handwritten signature in cursive script, appearing to read "Roy E. Johnson".

ROY E. JOHNSON
Petroleum Geologist

REJ/dp

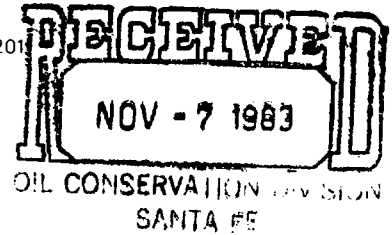
cc: Commissioner of Public Lands - Santa Fe
Bureau of Land Management - Albuquerque
OCD District Office - Aztec



J. C. Burnside
Division Production Manager

Amoco Production Company

Far West Division
1670 Broadway
P.O. Box 800
Denver, Colorado 80201
303-830-4040



October 31, 1983

Bureau of Land Management
P. O. Box 1449
Santa Fe, NM 87501

Commissioner of Public Lands
State of New Mexico
P. O. Box 1148
Santa Fe, NM 87501

Attention: Oil & Gas Lands

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

Office of District Engineer
Bureau of Land Management
P. O. Box 959
Farmington, NM 87401

File: DAW-381-416

Gentlemen:

Supplemental Plan of Development
for 1983 - Fruitland Formation
Gallegos Canyon Unit
San Juan County, New Mexico

Amoco Production Company, as Operator of the Gallegos Canyon Unit, on behalf of the Sub-Operator of a portion of the Fruitland Formation, Energy Reserves Group, Inc., proposes the following supplement to the 1983 Plan of Development:

The Sub-Operator plans to permit and drill a Fruitland Formation well located in T28N, R12W, Section 17: SW/4 (970' FSL-1190' FWL) by the end of 1983. (Proposed as the #339 unit well).

Wells previously submitted as proposed Pictured Cliffs wells in our 1982 Plan of Development will be completed in 1983, with the exception of three locations which the Sub-Operator may drill in 1984. Those wells delayed due to our changed evaluation of the economics are as follows:

- #329 NE/4-24-T29N-R13W
- #337 SE/4-26-T28N-R12W
- #338 NW/4-9-T27N-R12W

Bureau of Land Management, et al.,
October 31, 1983
Page 2

We respectfully request your approval of this Supplemental Plan of Development. Please notify both Amoco and Energy Reserves Group as to your approval.

Very truly yours,

A handwritten signature in cursive script, appearing to read "J. C. Bennett".

RJR/cjc

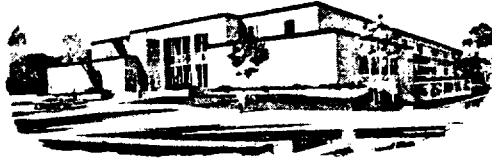
cc: Energy Reserves Group, Inc.

LTR872

State of New Mexico



JIM BACA
COMMISSIONER



Commissioner of Public Lands

November 9, 1983

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

#247

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

Re: Supplemental Plan of Development
for 1983 - Fruitland Formation
Gallegos Canyon Unit
San Juan County, New Mexico

Mr. J. C. Burnside

Gentlemen:

The Commissioner of Public Lands has this date approved your Supplemental 1983 Plan of Development for the Gallegos Canyon Unit, San Juan County, New Mexico. Such plan proposes to drill the unit well no. 339 to test the Fruitland formation. Also, the proposed Pictured Cliffs well Nos. 329, 337 and 338 which were proposed in your 1982 Plan of Development were delayed and may be drilled in 1984. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Enclosed is an approved copy for files.

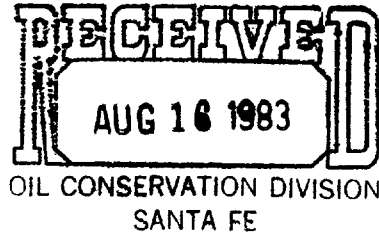
Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY:
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-5744

JB/RDG/pm
encls.
cc:

OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico
BLM-Roswell, New Mexico



#247

Amoco Production Company

Far West Division
1670 Broadway
P.O. Box 800
Denver, Colorado 80201
303-830-4040

J. C. Burnside
Division Production Manager

August 11, 1983

N. M. Oil Conservation Division
State of New Mexico
P. O. Box 2088
Santa Fe, NM 87501

Energy Reserves Group
1801 Broadway, Suite 500
Denver, CO 80202

Commissioner of Public Lands
State of New Mexico
P. O. Box 1148
Santa Fe, NM 87501

File: DJP-940-416

Gentlemen:

Farmington Participating Area
Application and Enlargements to
Fruitland Participating Area
Gallegos Canyon Unit
San Juan County, New Mexico

Please be advised that the United States Department of Interior, Bureau of Land Management has approved the following participating areas of the Gallegos Canyon Unit Agreement in San Juan County, New Mexico:

Farmington
Fruitland "B"
Fruitland "C"
Fruitland "D"

Very truly yours,

Original Signed
J.C. Burnside *JCB*

PDL/dms

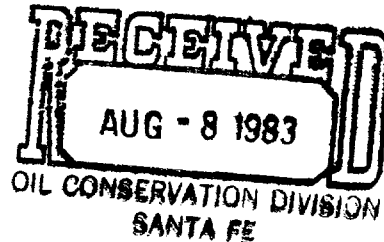
LTR923

BUREAU OF LAND MANAGEMENT
505 MARQUETTE, NW, SUITE 815
ALBUQUERQUE, NM 87102

3100.6

05 AUG 1983

Amoco Production Company
Attention: Mr. John G. Burnside
Amoco Building
1670 Broadway
Denver, Colorado 80202



Gentlemen:

Your application of October 15, 1982 requesting approval of the initial Fruitland Participating Area "B", of the Gallegos Canyon Unit Agreement in San Juan County, New Mexico, was approved on this date by the District Manager, Bureau of Land Management, Albuquerque, New Mexico effective as of September 1, 1980.

The initial Fruitland "B" Participating Area includes 160 acres described as the SE $\frac{1}{4}$ section 19, T. 28 N., R. 12 W., N.M.P.M. The data upon which this determination was made was the completion of the Gallegos Canyon Unit well No. 306 with an Initial Potential of 337 MCF/D.

Copies of the approved application are being distributed to the appropriate Federal offices and two approved copies are enclosed.

You are requested to furnish the State of New Mexico and other interested parties with appropriate evidence of this approval.

Sincerely yours,

Assistant District Manager
for Minerals

Enclosure (2)

cc:
Energy Reserves Group
BLM, Santa Fe
Commissioner of Public Lands, Santa Fe
N.M.O.C.D., Santa Fe



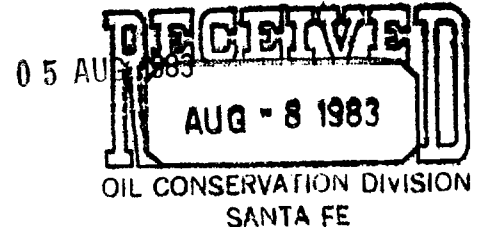
United States Department of the Interior

3100.6 01037

BUREAU OF LAND MANAGEMENT
505 Marquette Avenue N.W., Suite 815
Albuquerque, New Mexico 87102

IN REPLY
REFER TO:

Amoco Production Company
Attention: Mr. John C. Burnside
Amoco Building
1670 Broadway
Denver, Colorado 80202



Gentlemen:

Your application of October 15, 1982, requesting approval of the initial Fruitland participating area "C" and the first revision to the Fruitland participating area "C" of the Gallegos Canyon unit agreement in San Juan County, New Mexico, was approved on this date by the Assistant District Manager, Bureau of Land Management, Albuquerque, New Mexico, effective as of March 1, 1981, and June 1, 1981, respectively.

The initial Fruitland participating area "C" includes the SW $\frac{1}{4}$ section 33, T. 29 N., R. 12 W., N.M.P.M. and includes 160.0 acres. The first revision of the Fruitland participating area "C" includes 512.56 acres in the S $\frac{1}{4}$ SE $\frac{1}{4}$ section 32, T. 29 N., R. 12 W., and section 9 (lots 1, 2, 3, and 4, S $\frac{1}{4}$ S $\frac{1}{4}$), and the NE $\frac{1}{4}$ section 16, T. 28 N., R. 12 W., N.M.P.M. The participating area includes a total of 672.56 acres. The wells that are contributing to this determination are Gallegos Canyon unit well no. 306 with an initial potential of 337 mcf/D, Gallegos Canyon unit well no. 328 with an initial potential of 802 mcf/D, Gallegos Canyon unit well no. 310 with an initial potential of 568 mcf/D, Gallegos Canyon unit well no. 309 with an initial potential of 578 mcf/D, Gallegos Canyon unit well no. 312 with an initial potential of 177 mcf/D, Gallegos Canyon unit well no. 274 with an initial potential of 306 mcf/D, and Gallegos Canyon unit well no. 319 with an initial potential of 89 mcf/D.

Copies of the approved application are being distributed to the appropriate Federal offices and two approved copies are enclosed. You are requested to furnish the state of New Mexico and other interested parties with appropriate evidence of this approval.

Sincerely yours,

(S) JAMES W. SHELTON

James W. Shelton
Assistant District Manager
for Minerals

Enclosures

cc:
Energy Reserves Group
1801 Broadway, Suite 500
Denver, Colorado 80202

BLM, Santa Fe
Comm. of Pub. Lands
NMOCD ✓
Farmington RA (w/encl.)
AOD-PAB-LAC, Denver



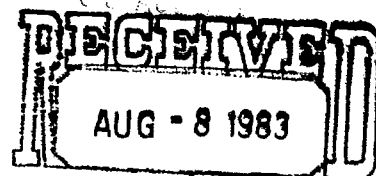
United States Department of the Interior

3100.6 01037

BUREAU OF LAND MANAGEMENT
505 Marquette Avenue N.W., Suite 815
Albuquerque, New Mexico 87102

IN REPLY
REFER TO:

Amoco Production Company
Attention: Mr. John C. Burnside
Amoco Building
1670 Broadway
Denver, Colorado 80202



OIL CONSERVATION DIVISION
SANTA FE

Gentlemen:

Your application of October 15, 1982, requesting approval of the initial Fruitland participating area "D" of the Gallegos Canyon unit agreement in San Juan County, New Mexico, was approved on this date by the Assistant District Manager, Bureau of Land Management, Albuquerque, New Mexico, effective as of September 1, 1981.

The initial Fruitland participating area "D" includes 152.45 acres described as lots 1, 2, and the E $\frac{1}{4}$ NW $\frac{1}{4}$ section 30, T. 28 N., R. 12 W., N.M.P.M. The well contributing to this determination is the completion of Gallegos Canyon unit well no. 319 with an initial potential of 89 mcf/D.

Copies of the approved application are being distributed to the appropriate Federal offices and two approved copies are enclosed. You are requested to furnish the state of New Mexico and other interested parties with appropriate evidence of this approval.

Sincerely yours,

(Handwritten signature)

James W. Shelton
Assistant District Manager
for Minerals

Enclosures

cc:

Energy Reserves Group
1801 Broadway, Suite 500
Denver, Colorado 80202

BLM, Santa Fe
Comm. of Pub. Lands
NMOCD
Farmington RA (w/encl.)
AOD-PAB-LAC, Denver



IN REPLY
REFER TO:

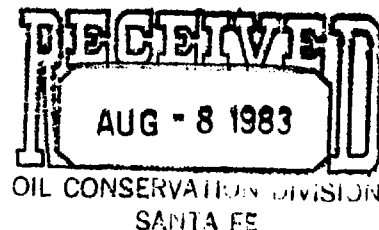
United States Department of the Interior

BUREAU OF LAND MANAGEMENT
505 Marquette Avenue N.W., Suite 815
Albuquerque, New Mexico 87102

3100.6 01037

05 AUG 1983

Amoco Production Company
Attention: Mr. John C. Burnside
Amoco Building
1670 Broadway
Denver, Colorado 80202



Gentlemen:

Your application of October 15, 1982, requesting approval of the initial Farmington participating area "A" of the Gallegos Canyon unit agreement in San Juan County, New Mexico, was approved on this date by the Assistant District Manager, Bureau of Land Management, Albuquerque, New Mexico, effective as of September 1, 1981, with name modification. This participating area will be called the "Farmington" with no letter designation.

The initial Farmington participating area includes 160 acres described as the SE $\frac{1}{4}$ section 20, T. 28 N., R. 12 W., N.M.P.M. The date upon which this determination was made was the completion of Gallegos Canyon unit well no. 274 with an initial potential of 306 mcf/D.

Copies of the approved application are being distributed to the appropriate Federal offices and two approved copies are enclosed. You are requested to furnish the state of New Mexico and other interested parties with appropriate evidence of this approval.

Sincerely yours,

James W. Shelton
Assistant District Manager
for Minerals

Enclosures

cc:

Energy Reserves Group
1801 Broadway, Suite 500
Denver, Colorado 80202

BLM, Santa Fe
Comm. of Pub. Lands
NMOCD,
Farmington RA (w/encl.)
AOD-PAB-LAC, Denver