



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



July 28, 1992

BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

BHP Petroleum (Americas) Inc.
5847 San Felipe - Suite 3600
Houston, Texas 77057

RECEIVED
AUG 12 1992
OIL CON. DIV.
DIST. 3

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

Attention: Carl Kolbe

Administrative Order NSL-3135

Dear Mr. Kolbe:

Reference is made to your application dated January 31, 1992 for a non-standard Basin-Fruitland coal gas well location for your existing Gallegos Canyon Unit Well No. 61 which was drilled in 1953 and completed in the West Kutz - Pictured Cliffs Pool at a standard gas well location (pursuant to the Special Pool Rules applicable at the time under Division Order No. R-566) 692 feet from the North line and 877 feet from the East line (Unit A) of Section 4, Township 27 North, Range 12 West, NMPM, San Juan County, New Mexico.

It is my understanding that the Pictured Cliffs zone will be properly plugged back and said well will be recompleted to the Basin-Fruitland Coal Gas Pool, which pursuant to the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool as promulgated by Division Order No. R-8768, as amended, is unorthodox. Further, Lots 1 and 2, the S/2 NE/4 and SE/4 (E/2 equivalent) of said Section 4 shall be dedicated to the well forming a standard 320.24-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of said Division Order No. R-8768, as amended, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,

WILLIAM J. LEMAY
Director

WJL/MES/jc

cc: Oil Conservation Division - Aztec ✓
U.S. BLM - Farmington



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

GARREY CAPRUTHERS
GOVERNOR

1000 RIO HAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

Date: 2-17-92

Attn: M. Stagner

Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

Re: Proposed MC _____
Proposed DHC _____
Proposed NSL X _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated 2-10-92
for the BHP Petroleum, Inc. GC 0064
Operator Lease & Well No.

A-4-22N-12W and my recommendations are as follows:
Unit, S-T-R

Approve

Yours truly,

Eugene Basch

5847 San Felipe Suite 3600
Houston, Texas 77057
Telephone: (713) 780-5000
FAX (713) 780-5273
Telex 9108813603

January 31, 1992

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 #61
NE/NE Section 4-T27N-R12W
San Juan County, New Mexico

Gentlemen:

BHP Petroleum (Americas), Inc. respectfully requests that a non-standard location be approved to allow the GCU #61 to be recompleted in the Basin Fruitland Coal formation. The well is located 692' FNL & 877' FEL in the NE/NE quarter of Section 4-T27N-R12W in San Juan County, New Mexico.

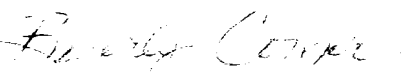
The non-standard location is being requested in order to utilize an existing wellbore for Fruitland Coal development.

No additional surface damage is expected.

BHP has notified all operators of any offsetting proration units adjacent to this well.

Please do not hesitate to contact me if you have any questions.

Sincerely,


Beverly Comer
Production Technician
(713) 780-5127

Attachment

RECEIVED
FEB 1 0 1992
OIL CON. DIV.
DIST. 3

OFFSETTING OPERATORS

GALLEGOS CANYON UNIT #61

Texaco, Inc.
P.O. Box 2100
Denver, CO 80201
Attn: Joint Oper. Mngr.

Dekalb Energy
1625 Broadway, S. 1300
Denver, CO 80202

Meridian Oil Prod., Inc.
P.O. Box 4289
Farmington, NM 87499

Beta Development Co.
Petroleum Club Plaza
Farmington, NM 87401

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 Grande Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

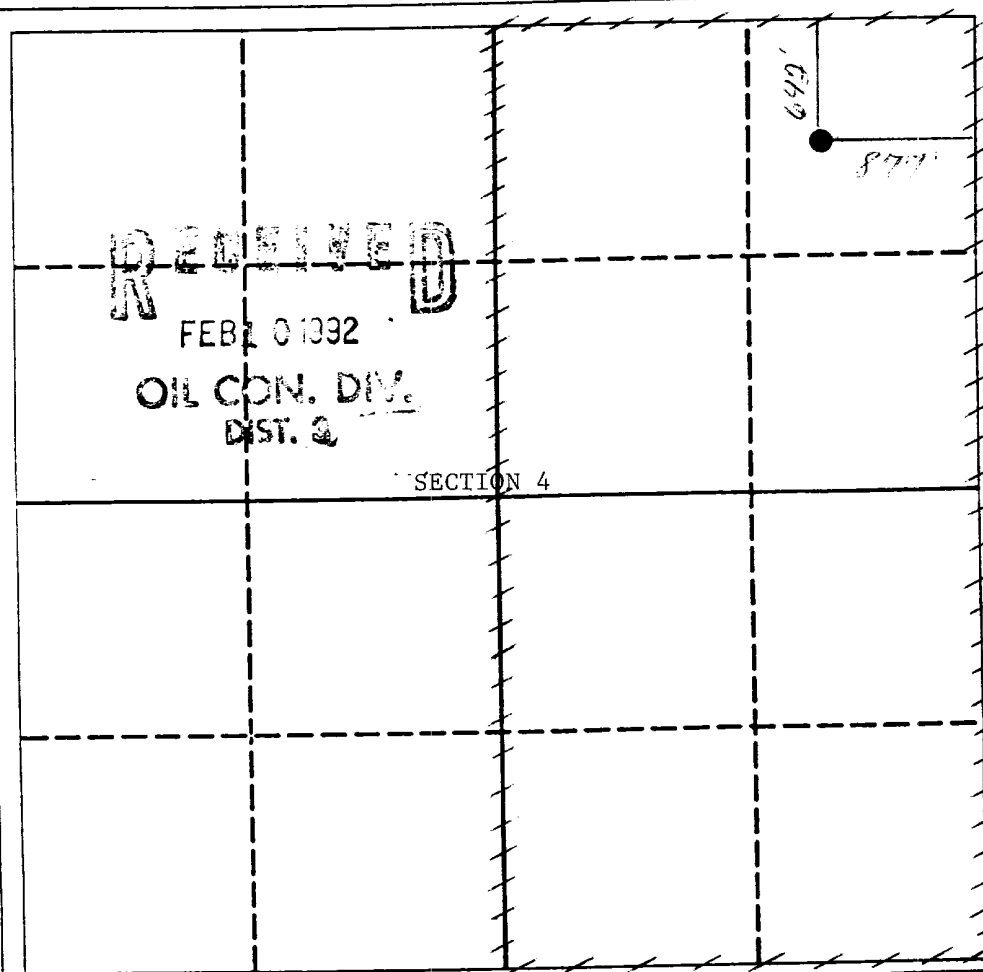
All Distances must be from the outer boundaries of the section

Operator BHP Petroleum (Americas), Inc.			Lease Gallegos Canyon Unit		Well No. 61
Unit Letter A	Section 4	Township 27N	Range 12W	County NMNM San Juan	

Actual Footage Location of Well:

692 feet from the North line and	877 feet from the East line
Ground level Elev. 5786' DF	Producing Formation Fruitland Coal
Pool Basin Fruitland Coal	Dedicated Acreage: 320.24 Acres

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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
Beverly Comer
Printed Name
Beverly Comer
Position
Production Technician
Company
BHP Petroleum (Americas),
Date
12/11/91

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.