Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED Budget Bureau No. 1004-0135

Expires: March 31, 1993

BUREAU OF LAND MANAGEMENT 5. Lease Designation and Serial No. SF 078903 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name 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 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE GALLEGOS CANYON UNIT 1. Type of Well Oil Well Gas Well 8. Well Name and No. NO. 56 2. Name of Operator 9. API Well No. BHP PETROLEUM (AMERICAS) INC. 3. Address and Telephone No. 30-045-07041 10. Field and Pool, or Exploratory Area (505) 327-1639 P.O. BOX 977 FARMINGTON, N.M. 87499 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) BASIN FRUITLAND COAL 11. County or Parish, State 1650' FNL AND 990' SEC.35, T28N, R12W SW/NW SAN JUAN, NEW MEXICO CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF ACTION TYPE OF SUBMISSION Change of Plans Notice of Intent Abandonment Recompletion **New Construction** Subsequent Report Non-Routine Fracturing Plugging Back Water Shut-Off Casing Repair Altering Casing Conversion to Injection Final Abandonment Notice **COMPLETION HISTORY 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.)* THE DAILY HISTORY OF THE COMPLETION OPERATIONS FOR THE SUBJECT WELL IS ATTACHED. that the foregoing is true and correct LOWERY MANAGER FIELD OPS. 02-12-96 Date Title (This space for Federal or State office use) Title MAR 06 1996

*See Instruction on Reverse Side

or representations as to any matter within its jurisdiction.

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statement

GALLEGOS CANYON UNIT NO. 56

11-03-95 GIH W/ BIT & CSG. SCRAPER TO 1653'. POOH RU & SWAB WELL DOWN, NO GAS TO SURFACE. RU LOGGERS AND RAN GR/CCL FM: 1655; TO 500'. GIH & SET CIBP @ 1623' KB. LOAD CSG. W/ 2% KCL WTR. & PRESSURED TESTED TO 500 PSI, OK. RAN CBL FROM PBTD TO SURFACE. TOC @ SURFACE.

11-06-95 TIH W/ 2 3/8" TBG. TO PBTD. CIRCULATE HOLE CLEAN W/ 28 KCL WTR. POOH AND LAY DOWN TBG.

11-24-95 RU PERFORATORS AND GIH. PERFORATE THE BASIN FRUITLAND COAL FM: 16--' TO 1618' W/ 4" HSC LOADED W/4 JSPF, 19 GRAM SHOOTING A .50" HOLE. 73 HOLES. NO GAS TO SURFACE. GIH WITH PKR ON 2 7/8" TBG. AND SET @ 1576'. TESTED CSG. & PKR. TO 500 PSI. RU AND SWAB TBG. DRY. NO GAS TO SURFACE.

11-27-95 NO PRESSURE ON WELL. RU DOWELL AND FRACTURE STIMULATE THE FRUITLAND COAL DOWN 2 7/8" TBG. WITH 250 GAL 15% HCL ACID FOLLOWED W/ 544 BBL OF 30% BORATE X-LINKED GEL AND 54,000% OF 20/40 SAND. MAX. PRESSURE 1900 PSI, AVG. 1650 PSI, MAX. SAND CONC. 6 PPG. AVG. RATE 25 BPM. ISIP 420 PSI. SHUT WELL IN FOR GEL BREAK. RELEASE PKR. AND POOH LAYING DOWN 2 7/8". PU 2 3/8" TBG AND TIH. TAG SAND FILL @ 1580'. CIRCULATE HOLE CLEAN W/ 2% KCL WTR.

11-28-95 NO PRESSURE ON WELL. LAND TBG. @ 1620' KB. ND BOPE AND NU WELL HEAD. GIH WITH INSERT PUMP AND RODS. SPACE OUT AND HANG OFF.

11-29-95 SET & RU PUMPING UNIT. PUMPING TESTING TO FRAC. TANK.

11-30-95 PUMP TEST TO TANK FOR 3 DAYS WITH NO GAS TO SURFACE. RECOVERED 123 BBL LOAD FLUID.

CONTINUE TO PUMP TEST WELL FOR 30 DAYS. RECOVERED 292 BBL LOAD FLUID WITH THE GAS RATE INCREASING FROM 24 MCF/D TO 155 MCF/D. SHUT WELL IN FOR BUILD UP. SEVEN DAY SICP 134 PSI.

WELL SHUT IN WOPL