

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised March 25, 1999

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-045-07074
5. Indicate Type of Lease STATE ☐ FEE ☐
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: Gallegos Canyon Unit (Federal Well SF 079346A also filed on BLM form 3160-5)
8. Well No. 41
9. Pool name or Wildcat Basin Fruitland Coal & Kutz PC, West

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

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

2. Name of Operator
Amoco Production Company

3. Address of Operator
P.O. Box 3092 Houston, Tx 77253

4. Well Location

Unit Letter A 990 feet from the North line and 990 feet from the East line

Section 32 Township 28N Range 12W NMPM San Juan

County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
5639' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data
NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: Complete Basin Fruitland Coal & DHC ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Amoco Production Company requests permission to complete the subject well into Kutz Picture Cliffs, West Pool and commingle production down hole with the existing Basin Fruitland Coal Pool as per the attached procedure.

The Basin Fruitland Coal (71629) & Kutz Picture Cliffs, West (79680) Pools are Pre-Approved for Down hole Commingling per NMOCD CASE NO.12520, ORDER NO. R-11567 effective 04/26/2001. Although the interest owners are not identical between these two pools, this same order established approval for subsequent applications for the down hole commingling of production in wellbores within the Gallegos Canyon Unit without notice to the unit interest owners, therefore, no additional notification is required prior to down hole commingling approval.

Production is proposed to be allocated based on the subtraction method using the projected future decline for production from the Basin Fruitland Coal. That production shall serve as a base for production subtracted from the total production for the commingled well. The balance of the production will be attributed to the Kutz Picture Cliffs. Attached is the future production decline estimates for the Basin Fruitland Coal. Commingling Production Downhole in the subject well from the proposed pools will not reduce the value of the total remaining production.

DHC471A2

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

SIGNATURE Cherry Hlava TITLE Permitting Analyst DATE 7/11/01

Type or print name Cherry Hlava

Telephone No. 281-366-4081

(This space for State use)

Original Signed by STEVEN N. HAYES

APPROVED BY STEVEN N. HAYES TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE JUL 23 2001

Conditions of approval, if any:

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-07074		² Pool Code 71629 & 79680		³ Pool Name Basin Fruitland Coal & Kutz Pictured Cliffs, West	
⁴ Property Code 000570		⁵ Property Name Gallegos Canyon Unit			⁶ Well Number 41
⁷ OGRID No. 000778		⁸ Operator Name Amoco Production Company			⁹ Elevation 5639'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Unit A	32	28N	12W		990'	North	990'	East	San Juan

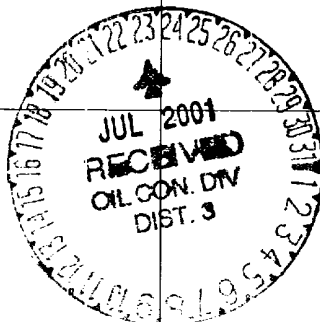
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Dedicated Acres 160 Ac.	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16						¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i> Cherry Hlava Signature <i>Cherry Hlava</i> Printed Name Cherry Hlava Permitting Analyst Title 07/10/2001 Date
						¹⁸ SURVEYOR CERTIFICATION <i>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 belief.</i> Date of Survey Signature and Seal of Professional Surveyor: ORIGINAL ON FILE Certificate Number



Gallegos Canyon Unit 41
Unit A Sec 32 T28N - R12W
API No. 30-045-07074
San Juan County, NM

Procedure

1. Prepare location. Set deadmen anchors.
 2. MIRU SU. Record TP and CP. ND WH, NU BOP.
- NOTE: If well is located in crop circle, may need to lower WH to accommodate future pumping unit.
3. POOH with 2-3/8" tbg.
 4. RU air package. RIH with bit x DC's. D/O CIBP at 1295'. C/O well to 1367' TD.
 5. PU csg scraper for 6-5/8" 20# and 7" 23# combination string. Make scraper run to csg shoe at 1298'.
 6. RIH with RBP and set at +/- 1200'. Load well with water and test csg to 300 psi. Blow well dry. Retrieve RBP.
 7. RIH with AD-1 tension pkr and 2-7/8" frac string. Set pkr @ +/- 1200'. Load backside with clean KCl water. Pressure test to 300 psi.
 8. RU surface with 5000 psi frac valve.
 9. MIRU Schlumberger. Frac well according to attached Pumping Schedule with ___ gallons 70 quality nitrogen foam and ___ lbs ___ sand. Tail in with PropNet on last ___ lbs.
 10. Flush with foam to top perf at 1276'. Do not overdisplace.
 11. Flow back immediately after frac equipment is off the well. Estimate flowrate using choke nipple, using a 100 psi gauge. Flow until well logs off or fluid recovery falls off to less than 2 bbls fluid per hour.
 12. Release pkr. POOH and LD frac string and pkr.
 13. RIH with bit x DC's. RU air package and clean out to TD.
 14. PU above perfs. Flow well 30 minutes. RIH to TD, cleaning out again if necessary. Repeat Step 15 until sand feed-in stabilizes.
 15. RIH with following production string:
 - a) 1 jt 2-3/8" tbg
 - b) F-nipple
 - c) 2-3/8" tbg to surfaceLand EOT at +/- 1310'.
 16. ND BOP. NU tree. RDMO SU.

Allen Kutch
281-366-7955 office
281-366-0700 fax

Gallegos Canyon Unit 41
San Juan County, NM
Unit A Section 32 of R28W - T12N
Run 27

ATK

KB: 10' abv GL

SN @ 1279'

2-3/8" EUE 8rd @
1291'

FC perfs:
1276' - 1290'

T/ PC @ 1293'

9-5/8" 32.2# H40 @
92' w/ 75 sxs

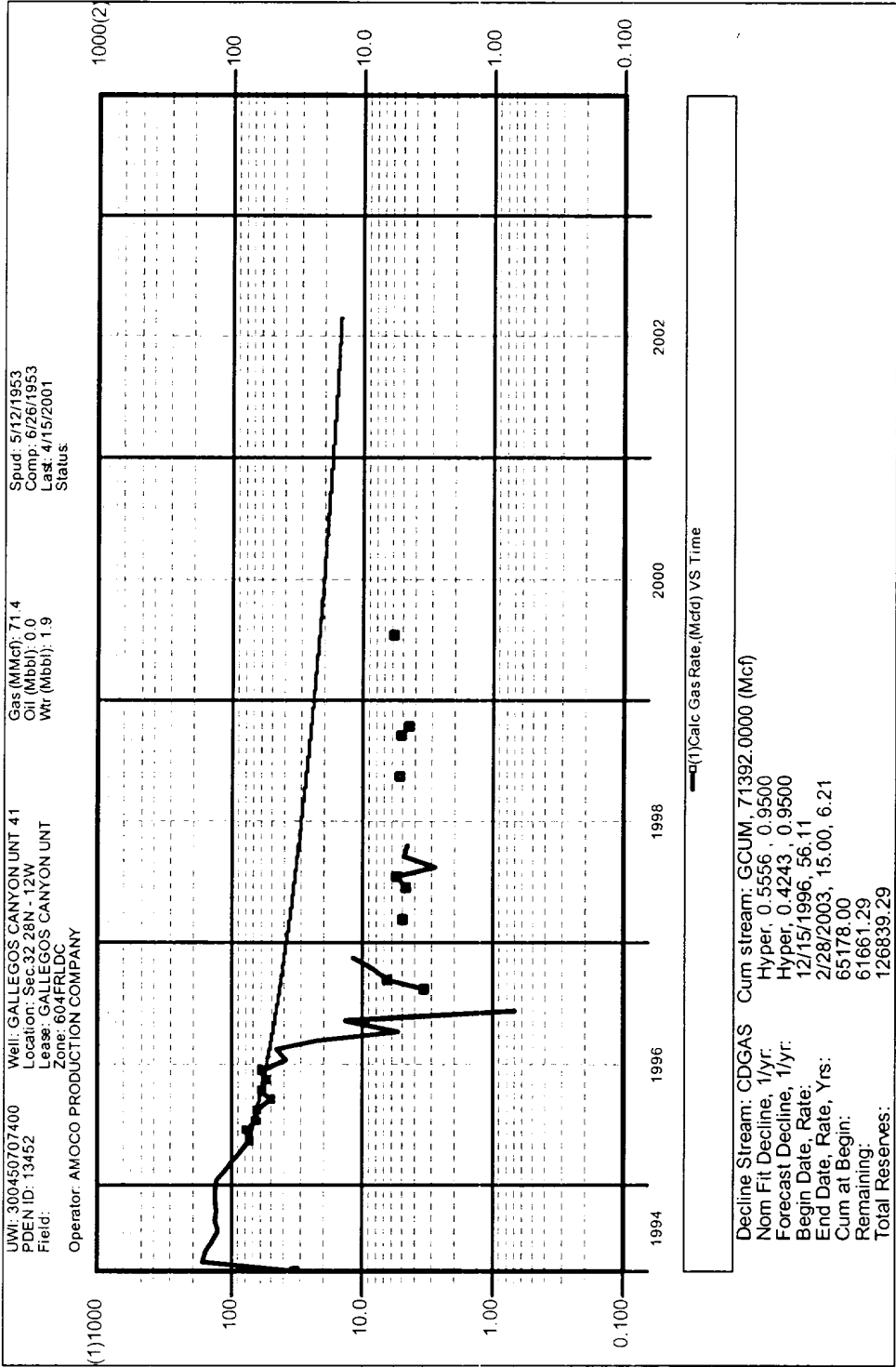
CIBP @ 1295'

6-5/8" 20# LW (0 - 1210')
7" 23# J55 (1210' - 1298')
w/ 156 sxs cmt + 156 cf
stratacrete tailed w/ 40 sxs
neat

PBTD: 1355' (gravel)
TD: 1367'

GALLEGOS CANYON
UNIT 41
BASIN FRUITLAND COAL
PROJECTED FUTURE DECLINE

PDEN	UWI	DATE	Forecast
13452	300450707400	1/15/2002	56
13452	300450707400	2/15/2002	55
13452	300450707400	3/15/2002	53
13452	300450707400	4/15/2002	52
13452	300450707400	5/15/2002	50
13452	300450707400	6/15/2002	48
13452	300450707400	7/15/2002	47
13452	300450707400	8/15/2002	46
13452	300450707400	9/15/2002	44
13452	300450707400	10/15/2002	43
13452	300450707400	11/15/2002	42
13452	300450707400	12/15/2002	41
13452	300450707400	1/15/2003	40
13452	300450707400	2/15/2003	39
13452	300450707400	3/15/2003	38
13452	300450707400	4/15/2003	37
13452	300450707400	5/15/2003	36
13452	300450707400	6/15/2003	35
13452	300450707400	7/15/2003	34
13452	300450707400	8/15/2003	34
13452	300450707400	9/15/2003	33
13452	300450707400	10/15/2003	32
13452	300450707400	11/15/2003	32
13452	300450707400	12/15/2003	31
13452	300450707400	1/15/2004	30
13452	300450707400	2/15/2004	30
13452	300450707400	3/15/2004	29
13452	300450707400	4/15/2004	29
13452	300450707400	5/15/2004	28
13452	300450707400	6/15/2004	28
13452	300450707400	7/15/2004	27
13452	300450707400	8/15/2004	27
13452	300450707400	9/15/2004	26
13452	300450707400	10/15/2004	26
13452	300450707400	11/15/2004	25
13452	300450707400	12/15/2004	25
13452	300450707400	1/15/2005	25
13452	300450707400	2/15/2005	24
13452	300450707400	3/15/2005	24
13452	300450707400	4/15/2005	23
13452	300450707400	5/15/2005	23
13452	300450707400	6/15/2005	23
13452	300450707400	7/15/2005	22



GALLEGOS CANYON
UNIT 41
BASIN FRUITLAND COAL
PROJECTED FUTURE DECLINE

PDEN	UWI	DATE	Forecast
13452	300450707400	8/15/2005	22
13452	300450707400	9/15/2005	22
13452	300450707400	10/15/2005	21
13452	300450707400	11/15/2005	21
13452	300450707400	12/15/2005	21
13452	300450707400	1/15/2006	21
13452	300450707400	2/15/2006	20
13452	300450707400	3/15/2006	20
13452	300450707400	4/15/2006	20
13452	300450707400	5/15/2006	19
13452	300450707400	6/15/2006	19
13452	300450707400	7/15/2006	19
13452	300450707400	8/15/2006	19
13452	300450707400	9/15/2006	19
13452	300450707400	10/15/2006	18
13452	300450707400	11/15/2006	18
13452	300450707400	12/15/2006	18
13452	300450707400	1/15/2007	18
13452	300450707400	2/15/2007	17
13452	300450707400	3/15/2007	17
13452	300450707400	4/15/2007	17
13452	300450707400	5/15/2007	17
13452	300450707400	6/15/2007	17
13452	300450707400	7/15/2007	16
13452	300450707400	8/15/2007	16
13452	300450707400	9/15/2007	16
13452	300450707400	10/15/2007	16
13452	300450707400	11/15/2007	16
13452	300450707400	12/15/2007	16
13452	300450707400	1/15/2008	15
13452	300450707400	2/15/2008	15
13452	300450707400	3/15/2008	15