

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
MAIL ROOM

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO. SF078109

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME Gallegos Canyon

8. FARM OR LEASE NAME, WELL NO. 2038 Gallegos Canyon Unit No. 541

9. API WELL NO. 30-045-29322

10. FIELD AND POOL, OR WILDCAT 79680 West Kutz Pictured Cliffs

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 0 Sec. 21, T29N, R12W, NMPM

12. COUNTY OR PARISH San Juan

13. STATE NM

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 4.0 miles southeast of Farmington, New Mexico

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 790'

16. NO. OF ACRES IN LEASE 2561.19

17. NO. OF ACRES ASSIGNED TO THIS WELL 160.37

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 120'

19. PROPOSED DEPTH 1550'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5423' GR

22. APPROX. DATE WORK WILL START* As soon as approved

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4. DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS" QUANTITY OF CEMENT

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8.750 "	7.000 " - K55	20	130'	59 cu. ft.
6.250 "	4.500 " - K55	10.5	1550'	273.2 cu. ft.

BHP Petroleum (Americas) Inc. proposes to spud in the Nacimiento Formation. Will drill an 8 3/4 " hole to 130 feet. Run and cement surface casing with cement returns to surface. WOC 12 hours. Test casing and BOPE to 600 psig for 15 minutes. Drill a 6 1/4 " hole to 1550 ' using fresh water mud. No abnormal pressures or poisonous gases are anticipated. Adequate weight material will be on location to control any unforeseen flows from the Farmington sands. Run logs at TD. Run and cement production casing with cement returns to surface. WOC 12 hours. Move out drilling rig and move in completion unit. Pressure test production casing to 2500 psig for 15 minutes prior to perforating. Run cased hole correlation logs. Perforate Pictured Cliffs and stimulate with a fresh water base gel or foam system. Surface ownership is Fee.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED [Signature] TITLE Operations Superintendent DATE 11/3/95

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or imply that the applicant holds legal or equitable title to those rights in the subject lease which would be necessary for operations thereon.

CONDITIONS OF APPROVAL, IF ANY: **OIL CON. DIV. DIST. 3** **NMOCD** **APPROVED AS AMENDED** **DEC 08 1995** **DISTRICT MANAGER**

*See Instructions On Reverse Side

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

Form C-102
 Revised February 21, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

95 NOV -6 PM 2:19

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number <i>30-045-29322</i>		2 Pool Code 79680		3 Pool Name West Kutz Pictured Cliffs	
4 Property Code 2038		5 Property Name GALLEGOS CANYON UNIT			6 Well Number 541
7 OGRID No. 2217		8 Operator Name BHP PETROLEUM (AMERICAS) INC.			9 Elevation 5423

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
0	21	29 N	12 W	<i>12</i>	790	South	1720	East	San Juan

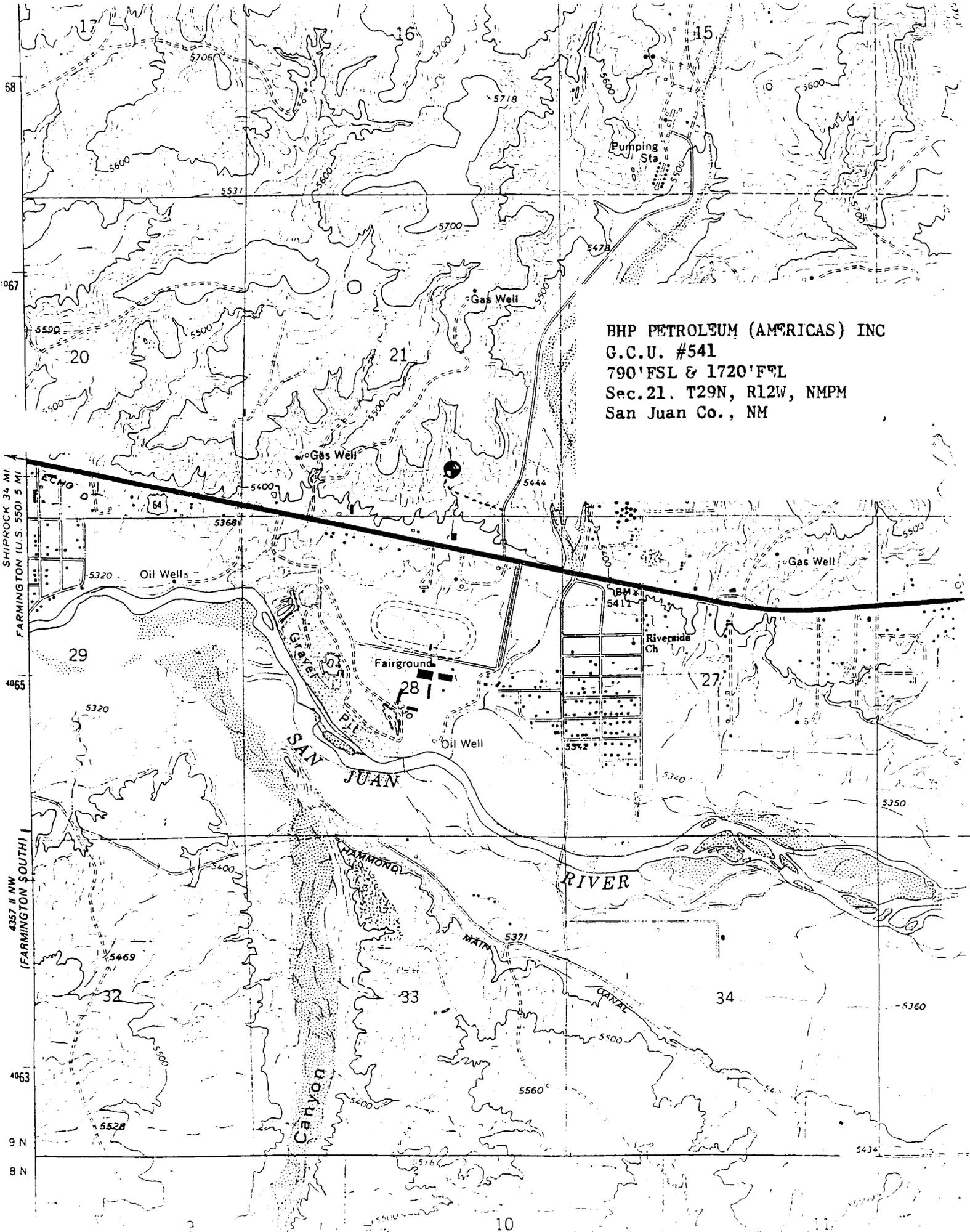
11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 160.37	13 Joint or Infill	14 Consolidation Code U	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 <i>80.78cm.</i> <i>80.76cm.</i> <i>80.50"E</i> <i>SB9°54'W</i> <i>39.928cm.</i>	<i>N89°50'W</i> <i>39.81cm</i>	<i>N89°37'W</i> <i>39.78cm.</i>	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>  Signature J. C. Harris Printed Name Operations Superintendent Title <i>11/3/95</i> Date
	Sec. 21 SF 078109 1720' 790'	RECEIVED DEC 1 2 1995 OIL CON. DIV. DIST. 3	



BHP PETROLEUM (AMERICAS) INC
G.C.U. #541
790' FSL & 1720' FFL
Sec. 21, T29N, R12W, NMPM
San Juan Co., NM