

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

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Form C-101
Revised March 17, 1999

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Amoco Production Company P. O. Box 3092 Houston, Texas 77253		² OGRID Number 000778 API Number 30 045 30672
³ Property Code 000570	⁵ Property Name Gallegos Canyon Unit	⁶ Well No. 579

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	34	29N	12W		1420	North	1840	East	San Juan

⁸ Proposed 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
⁹ Proposed Pool 1 Basin Fruitland Coal						¹⁰ Proposed Pool 2			

¹¹ Work Type Code N - New Drill -	¹² Well Type Code Gas -	¹³ Cable/Rotary Rotary/Top Drive	¹⁴ Lease Type Code Fee -	¹⁵ Ground Level Elevation 5338' -
¹⁶ Multiple No	¹⁷ Proposed Depth 1450' -	¹⁸ Formation Fruitland Coal	¹⁹ Contractor Aztec	²⁰ Spud Date 06/01/2001

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
(1) 8 3/4"	7"	23#	135'	115 SXS CLS B	Surface -
(2) 6 1/4"	4 1/2"	10.5#	1450' -	154 SXS CLS B	Surface -

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

OBJECTIVE: Drill 150' into the Pictured Cliffs, set 4 1/2" Casing to TD, Perf & Stimulate the Fruitland Coal interval. Run Cased Hole (GR-CCL-TDT) logs: TDT from PBD. GR- CCL from PDTB to Surface.

(1) Circulate Cement to Surface

(2) Set Casing 150' below top of Pictured Cliffs.

Mud Program: 0' - 135' Type - Spud Weight 8.6 - 9.2

135' - TD' Type - Water Weight 8.6 - 9.2

The hole will require sweeps to keep unloaded while fresh water drilling. Let hole conditions dictate frequency

Completion: Rigless, Single Stage Hydraulic Frac.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Mary Corley

Printed name: **Mary Corley**

Title: **Sr. Regulatory Analyst**

Date: **05/23/2001**

Phone: **281-366-4491**

OIL CONSERVATION DIVISION

Approved by:

Title: **DEPUTY OIL & GAS INSPECTOR, DIST. 4**

Approval Date:

Conditions of Approval:

Attached

Expiration Date:

MAY 25 2001

MAY 25 2002

District I
PO Box 1980, Hobbs NM 88241-1980
District-II
PO Drawer KK, Artesia, NM 87211-0719
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

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

Form C-102
Revised February 21, 1994

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-30672		² Pool Code 71629		³ Pool Name Basin Fruitland Coal	
⁴ Property Code 000570		⁵ Property Name Gallegos Canyon Unit			⁶ Well Number # 579
⁷ OGRID No. 000778		⁸ Operator Name AMOCO PRODUCTION COMPANY			⁹ Elevation 5338

¹⁰ Surface Location

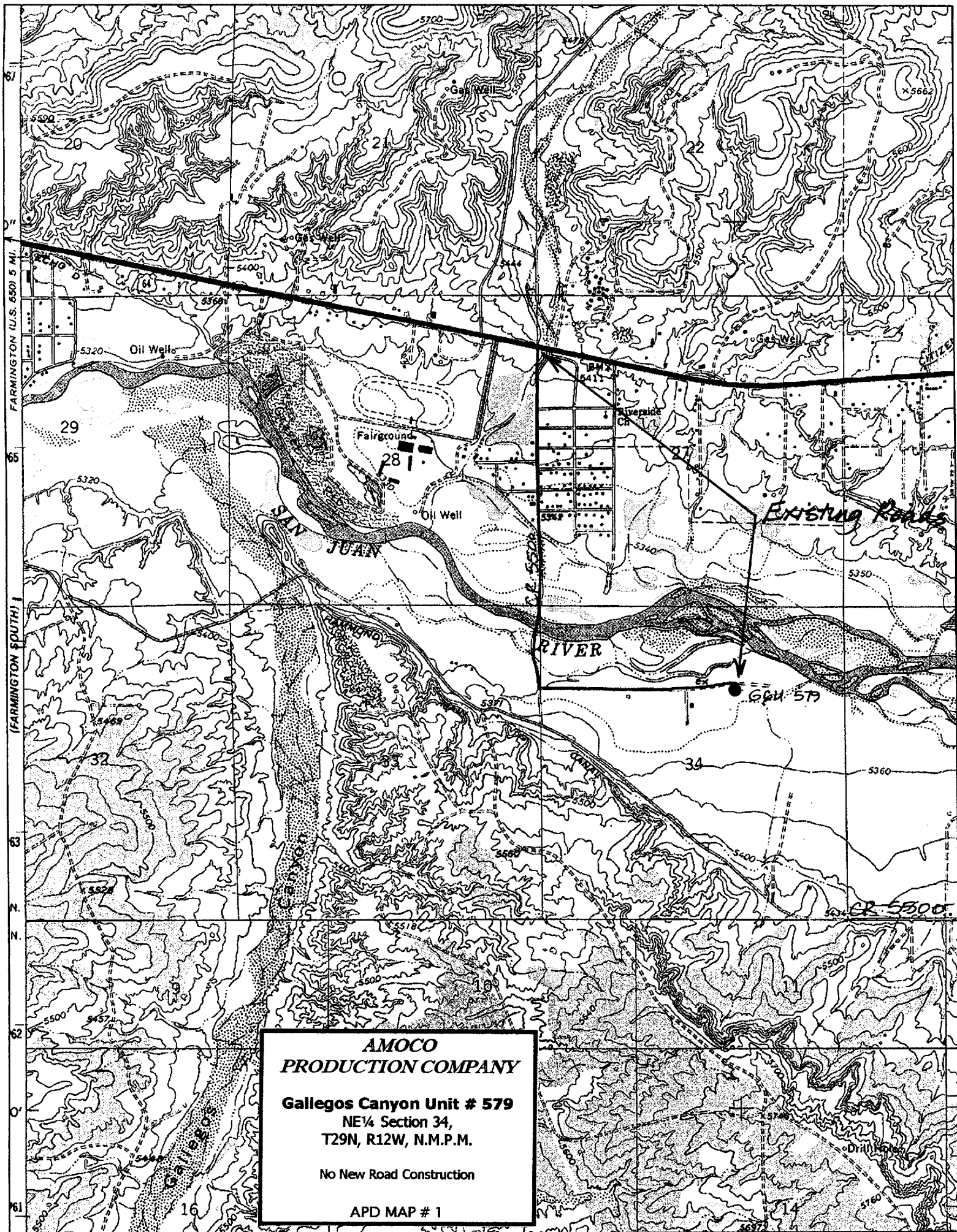
UL or Lot No. G	Section 34	Township 29 N	Range 12 W	Lot Idn	Feet from the 1420	North/South line NORTH	Feet from the 1840	East/West line EAST	County SAN JUAN
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¹¹ Bottom Hole Location If Different From Surface

⁷ 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 320		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

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 hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <i>Mary Corley</i> Printed Name: Mary Corley Title: Sr. Regulatory Analyst Date: 5.23.2001	
5338(R)		¹⁸ 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 belief. Date of Survey: April 26, 2001 Signature and Seal of Professional Surveyor: <i>GARY D. VANN</i> 7016 Certificate Number: 7016	
2594(R)		2637(R)	



**Amoco Production Company
BOP Pressure Testing Requirements**

Well Name: Gallegos Canyon Unit 579

County: San Juan

State: New Mexico

Formation	TVD	Anticipated Bottom Hole Pressure	Maximum Anticipated Surface Pressure **
Ojo Alamo	Surface		
Kirtland	96		
Fruitland Coal	696		
Pictured Cliffs	1300		

**** Note:** Determined using the following formula: $ABHP - (.22 * TVD) = ASP$

Requested BOP Pressure Test Exception: 750 PSI

**SAN JUAN BASIN
Fruitland Coal Formation
Pressure Control Equipment**

Background

The objective Fruitland Coal formation maximum surface pressure is anticipated to be less than 1000 PSI, based on shut-in surface pressures from adjacent wells. Pressure control equipment working pressure minimum requirements are therefore 2000 PSI. Equipment to be used will conform to API RP-53 (Figure 2.C.2) for a 2000 PSI system per Federal Onshore Order No. 2. Due to available conventional equipment within the area, 3000 PSI rated pressure control equipment will typically be utilized in a double ram type arrangement. Regional drilling rights to be utilized have substructure height limitations which exclude the use of annular preventers; therefore a rotating head will be installed above these rams. This pressure control equipment will be utilized for conventional drilling below conductor to total depth. No abnormal temperature, pressure, or Hydrogen Sulfide gas is anticipated.

Equipment Specification

Interval

BOP Equipment

Below conductor casing to total depth

11" nominal or 7 1/16", 3000 PSI double ram
preventer with rotating head.

All ram type preventers and related control equipment will be hydraulically tested to 250 PSI (low pressure) and 750 PSI (high pressure), upon installation, following any repairs or equipment replacements, or at 30 day intervals. Accessories to BOP equipment will include Kelly cock, upper Kelly cock with a handle available, floor safety valves and choke manifold which will also be tested to equivalent pressure at the appropriate intervals.