

DATE IN <u>5/11/01</u>	SUSPENSE <u>5/31/01</u>	ENGINEER <u>MS</u>	LOGGED <u>KN</u>	TYPE <u>NSL</u>
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ABOVE THIS LINE FOR DIVISION USE ONLY

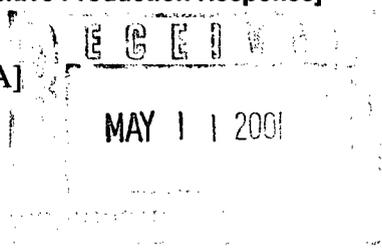
NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
- [DD-Directional Drilling] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]



[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Directional Drilling
 NSL NSP DD SD

Check One Only for [B] and [C]

- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or X Does Not Apply

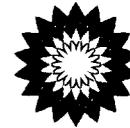
- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

[3] **INFORMATION / DATA SUBMITTED IS COMPLETE** - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Mary Corley Mary Corley Sr. Regulatory Analyst 05/07/2001
 Print or Type Name Signature Title Date



Amoco Production Company

A Part of the BP Amoco Group
501 WestLake Park Blvd.
Houston, TX 77079-3092

Phone: 281-366-4491

May 8, 2001

Mr. Michael Stogner
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

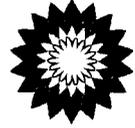
Application For Non-Standard Well Location
Gallegos Canyon Unit H # 180 Well
1550' FSL, 2130' FEL, Unit J, Section 28-T29N-R12W
Kutz Pictured Cliffs, West Pool
San Juan County, New Mexico

Amoco Production Company hereby requests administrative approval for a non-standard well location for the Gallegos Canyon Unit H well no. 180 in the Kutz Pictured Cliffs, West Pool. The subject well was initially drilled in 1964 and completed in the Basin Dakota Pool within a standard 320 acre lay down gas spacing unit comprising the S/2 of Section 28 at a location considered to be standard at that time.

In year 2000 our intent was to abandon the current Dakota completion and recomplete up hole into the Fruitland Coal Pool. On March 27, 2000 we applied for a non-standard well location for the proposed Fruitland Coal recompletion since the well location was not located in either the NE/4 or SW/4 of the section as required by the Fruitland Coal spacing requirements. Approval for this non-standard location was granted on April 21, 2000 (NSL-4438). Prior to initiating the recompletion and after further reservoir analysis it was determined that a completion into the Fruitland Coal within the subject wellbore would not be successful. The future potential of the wellbore was re-examined and the result of further reservoir analysis indicated that a recompletion into the Pictured Cliffs Pool would prove successful.

The spacing unit for this well is the SE/4 Section 28 as shown on the attached C-102. Also attached is a 9 section plat with the subject well and surrounding wells identified.

bp



Approval for this non-standard location is required since the well does not conform to the Pictured Cliffs location requirements which stipulate that a well be no closer than 660' to the outer boundaries of the quarter section. This well is located in the interior of the Gallegos Canyon Unit and Amoco is the only offset operator affected by this application.

Your attention to this matter is greatly appreciated. Should you have any questions concerning this application please do not hesitate to call me at 281-366-4491.

Sincerely,

Mary Corley
Mary Corley

cc: Frank Chavez, Supervisor
NMOCD District III
1000 Rio Brazos Road
Aztec, NM 87410

John Papageorge
Well file

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
311 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 and Natural Resources Department

Form C-102
Revised October 18, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-07814	Pool Code 79680	Pool Name Kutz Pictured Cliffs, West
Property Code 000579	Property Name Gallegos Canyon Unit H	Well Number 180
OGRID No. 000778	Operator Name AMOCO PRODUCTION COMPANY	Elevation 5338'

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 J	28	29N	12W		1550'	SOUTH	2130'	EAST	San Juan

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

Dedicated Acreage: 160.37	Joint or Infill	Consolidation Code	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

	<p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i></p> <p>Signature <i>Mary Corley</i></p> <p>Printed Name Mary Corley</p> <p>Position Sr. Regulatory Analyst</p> <p>Date 05/02/2001</p>
	<p>SURVEY CERTIFICATION</p> <p><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 knowledge and belief.</i></p> <p style="text-align: center;">19640730</p> <p>Date of Survey</p> <p>Signature & Seal of Professional Surveyor</p> <p style="text-align: center;">James P. Leese</p> <p>Certificate No. 1463</p>

GCU Well Work Procedure

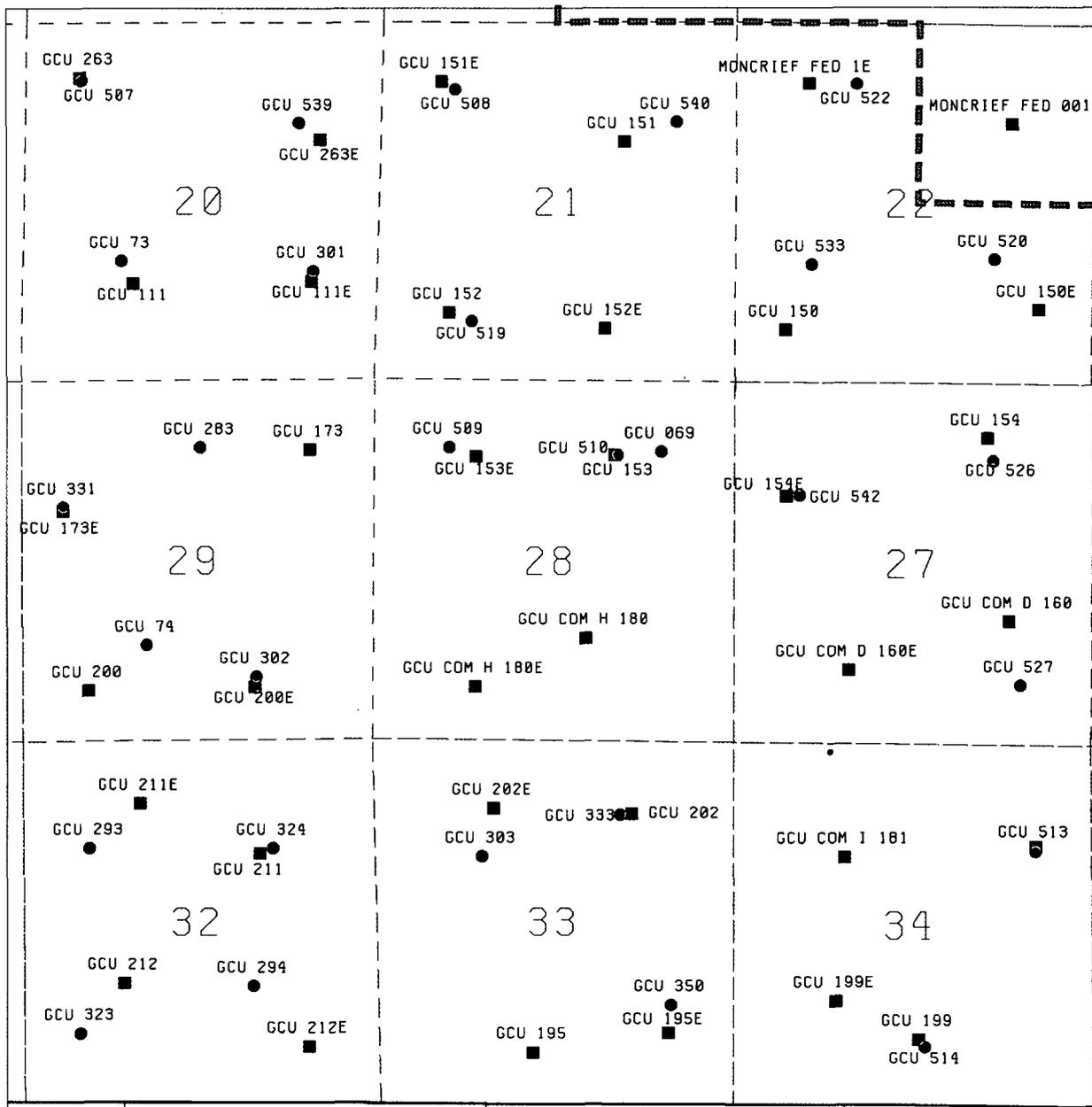
GCU Com H 180

Objective:

Plug back from Dakota and recomplete to Pictured Cliffs.

Note: Prior to scheduling rig, confirm that surface facility modifications have been initiated.

1. Check anchors. MIRUSU.
2. Check and record tubing, casing and bradenhead pressures.
3. Blow down wellhead, kill if necessary.
4. Nipple down wellhead, nipple up and pressure test BOP.
5. TOH and LD tubing.
6. PXA Dakota. Set CIPB at approximately 5700'. Spot 150' cmt plug on top of CIBP. Spot cement in casing across Gallup and Mesa Verde intervals as required.
7. Run GR/CCL. **Note:** CBL run on 9/3/93 indicated TOC at 770'. Set CIBP at approximately 1500'. Pressure test as required. **Note:** Squeeze holes at 260' and 660'.
8. Perforate the Pictured Cliffs with 4JSPF, 120 degree phasing as follows: **PC 1265-1280'**.
9. RU frac equipment and install WH isolation tool. Fracture stimulate down casing according to schedule 'A'. Monitor braidenhead pressure closely.
10. Flow back frac load on ¼" choke for 8 hours then open to ½" choke until well loads up or until a sufficient test is achieved.
11. Clean out to PBTD.
12. TIH with 2 3/8" tbg, rods, and pump. Land 1 joint below perms if possible.
13. Hook up to pumping unit and wellhead compressor.
14. RD MO SU. Pump to recover load water and test.



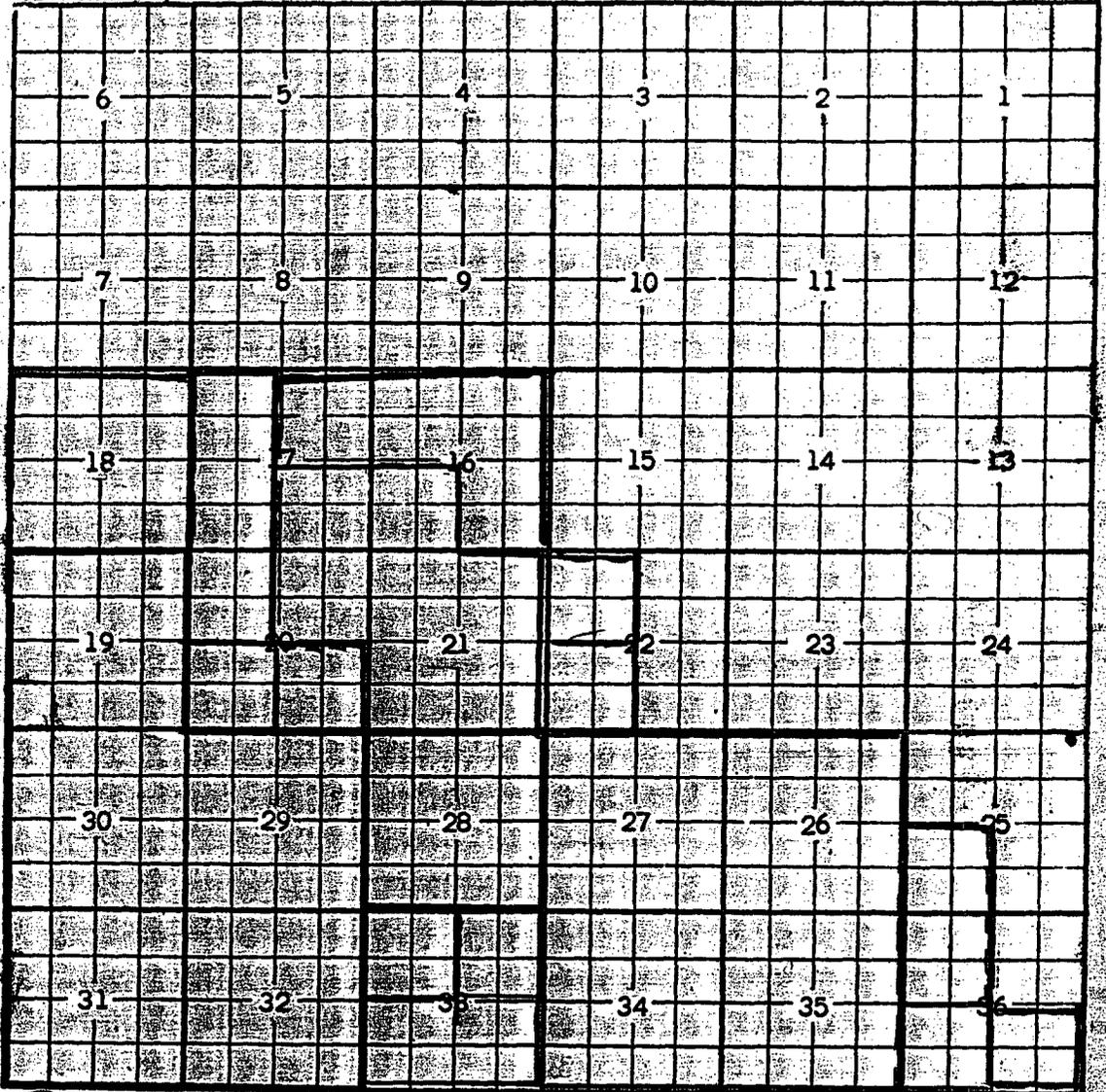
- *Dakota*
- *Pictured Cliffs*

AMOCO PRODUCTION COMPANY
HOUSTON, TX

SAN JUAN BASIN
GALLEGOS CANYON UNIT
T29N R12W SEC. 28 [GCU COM H 180]

SCALE 1"=2500'	DRAWN M. J. RITZ	DATE 28-JUN-2000
DRAWING		

County San Juan Pool West Kutz - Pictured Cliffs
TOWNSHIP 29 North RANGE 12 West NEW MEXICO PRINCIPAL MERIDIAN



Description: All Sec. 19, 29, 30, 31 & 32 (L-566, 12-73-54)
Ext: All Sec. 28 (R-607, 3-16-55) - SW 1/4 Sec. 20 (R-764, 3-14-56)
Ext: NW 1/4 Sec. 33 (R-844, 8-1-80) Ext: SE 1/4 Sec. 20 (R-6886, 1-22-82)
Ext: NE 1/4 Sec. 33 (R-744, 4-5-84) Ext: 1/2 Sec. 33 (R-8180, 3-14-86)
Ext: W 1/2 Sec. 17, NW 1/4 Sec. 20 (R-9516, 6-3-91)
Ext: SW 1/4 Sec. 16, SE 1/4 Sec. 17, All Sec. 18, NE 1/4 Sec. 20, All Secs. 21, All Secs. 26 and 27,
All Secs. 34 and 35 (R-9573, 8-23-91) Ext: SW 1/4 Sec. 36 (R-9667, 5-6-92)
Ext: SW 1/4 Sec. 25, NW 1/4 Sec. 36 (R-9801, 12-16-92)
Ext: SW 1/4 Sec. 22 (R-9982, 10-1-93) Ext: NW 1/4 Sec. 22 (R-10178, 8-30-94)
Ext: 1/2 and SE 1/4 Sec. 16, NE 1/4 Sec. 17, SE 1/4 Sec. 36 (R-10194, 9-19-94)

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

06/27/01 10:33:30
OGOMES -TQBC
PAGE NO: 1

Sec : 28 Twp : 29N Rng : 12W Section Type : NORMAL

D 40.00	*** **	*** **	*** **	*** **	*** **	*** **
Fee owned U A	Federal owned U U A					
E 40.00	F 40.00	G 40.00	H 40.00			
Fee owned U	Fee owned U A	Fee owned U	Fee owned U			

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

06/27/01 10:33:33
OGOMES -TQBC
PAGE NO: 2

Sec : 28 Twp : 29N Rng : 12W Section Type : NORMAL

31 40.03 Federal owned U	K 40.00 Fee owned U	J 40.00 Fee owned U A	I 40.00 Fee owned U
M 40.00 Fee owned U A	32 40.22 Federal owned U A	33 40.37 Federal owned U	P 40.00 Fee owned U

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

April 21, 2000

Amoco Production Company
BP Amoco/Western Gas Business Unit
P. O. Box 3092
Houston, Texas 77253-3092
Attention: Mary Corley

Administrative Order NSL-4438

Dear Ms. Corley:

Reference is made to the following: (i) your application dated March 27, 2000; and (ii) the New Mexico Oil Conservation Division's ("Division") records in Santa Fe: all concerning Amoco Production Company's ("Amoco") request for an off-pattern non-standard Basin-Fruitland coal gas well location for the existing Gallegos Canyon Unit "H" Well No. 180 (API No. 30-045-07814), located 1550 feet from the South line and 2130 feet from the East line (Unit J) of Section 28, Township 29 North, Range 12 West, NMPM, Basin-Fruitland Coal (Gas) Pool, San Juan County, New Mexico.

According to the Division's well records the Gallegos Canyon Unit "H" Well No. 180 was initially drilled in 1964 by Pan American Petroleum Corporation and completed in the Basin-Dakota Pool within a standard 320-acre, more or less, lay-down gas spacing and proration unit comprising the S/2 equivalent of Section 28 at location considered to be standard at the time (see Rule 2 of the "*Special Rules and Regulations for the Basin-Dakota Gas Pool*", as promulgated by Division Order No. R-1670-C, issued in Case No. 2095 and dated November 4, 1960).

It is our understanding that Amoco intends to abandon the Dakota interval in this well at this time and to recomplete up-hole into the Basin-Fruitland Coal (Gas) Pool. Pursuant to the "*Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool*," as promulgated by Division Order No. R-8768, as amended, the location of this well is considered to be unorthodox. Further, the E/2 equivalent of Section 28 is to be dedicated to this well in order to form a standard 320.37-acre stand-up gas spacing and proration unit for the Basin-Fruitland Coal (Gas) Pool.

By the authority granted me under the provisions of Rule 8 of these special pool rules the above-described unorthodox coal gas well location for the Gallegos Canyon Unit "H" Well No. 180 is hereby approved.

Sincerely,

Lori Wrotenberg
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec