

ABOVE THIS LINE FOR DIVISION USE ONLY

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NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



JUL 15 2003

OIL CONSERVATION
 DIVISION

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [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 - Simultaneous Dedication
 NSL NSP SD

Check One Only for [B] or [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

[D] Other: Specify _____

[2] **NOTIFICATION REQUIRED TO: - Check Those Which Apply, or 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] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

| | | | |
|---|---|---|------------------------------|
| <u>Cherry Hlava</u> Print or Type Name | <u><i>Cherry Hlava</i></u> Signature | <u>Regulatory Analyst</u> Title | <u>July 01, 2003</u> Date |
| | | <u>hlavacl@bp.com</u> e-mail Address | |



San Juan Business Unit

Cherry Hlava
WL1-19.178
281-366-4081 (direct)
281-366-0700 (FAX)
hlavacl@bp.com

P. O. Box 3092
Houston, Texas 77253-3092
501 Westlake Park Boulevard
Houston, Texas 77079

July 07, 2003

Mr. Michael Stogner
New Mexico Oil Conservation Division
1220 South St Francis Drive
P.O. Box 6429
Santa Fe, NM 87505

Application for Non-Standard Well Location
Gallegos Canyon Unit Well # 244
E/2 Section 36-T28N-R12W Basin Fruitland Coal
SE/4 Section 36 T28N-R12W Kutz Pictured Cliffs, W.
San Juan County, New Mexico

30-045-11690

BP America Production Company respectfully requests an administrative approval for a non-standard well location for the Gallegos Canyon Unit Well #244 to be recompleted into the Fruitland Coal & Pictured Cliffs formations and downhole commingled at an unorthodox location of 1850' FSL & 2510' FIEL. The subject well was initially drilled 3/28/1966 and completed in the Basin Dakota Pool within a standard 320 acre lay down gas spacing unit comprising the S/2 of Section 36 at a location considered to be standard at the time.

It is our intent to plug back from the Dakota and recomplete to commingle the Fruitland Coal & Kutz Pictured Cliffs, West.

To aid in your review is attached two C-102s and two 9 section plats with subject well and surrounding wells identified.

Because this well is located inside the GCU unit BP is the only offset operator affected by this application however there are Working Interests owners in the surrounding wells. Attached is a listing of all Working Interest Owners who are being furnished a copy of this application via certified mail return receipt requested.

Your attention to this matter is greatly appreciated. Should you have any questions concerning this application please do not hesitate to call me at 281-366-4081.

Sincerely,

A handwritten signature in cursive script that reads "Cherry Hlava".

Cherry Hlava

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

Working Interest Owners (See Attached List)

Working Interest Owners
BP America Production Company
GCU 244
Section 36-T28N-R12W
Basin Fruitland Coal & Kutz Pictured Cliffs, West Pools
San Juan County, New Mexico

Burlington Resources Oil & Gas Co
Attn: David Valdez
P.O. Box 4289
Farmington, NM 87499-4289

Energen Resources Corporation
2198 Bloomfield Hwy
Farmington, NM 87401

Production Gathering Company L.L.C.
Attn: Greg Vance
8080 North Central Exwy Suite 1090
Dallas, TX 75206

Four Star Oil & Gas
Attn: NOJV
P.O. Box 36366
Houston, TX 77236

Panhandle Royalty Company
5400 N. Grand Blvd., Suite 210
Oklahoma City, OK 73112

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 30-045-11690 | | ² Pool Code 71629 | | ³ Pool Name Basin Fruitland Coal | |
| ⁴ Property Code 000570 | | ⁵ Property Name Gallegos Canyon Unit | | | ⁶ Well Number 244 |
| ⁷ OGRID No. 000778 | | ⁸ Operator Name BP America Production Company | | | ⁹ Elevation 6033' GL |

| 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 J | 36 | 28N | 12W | | 1850' | South | 2510' | 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 |
| | | | | | | | | | |

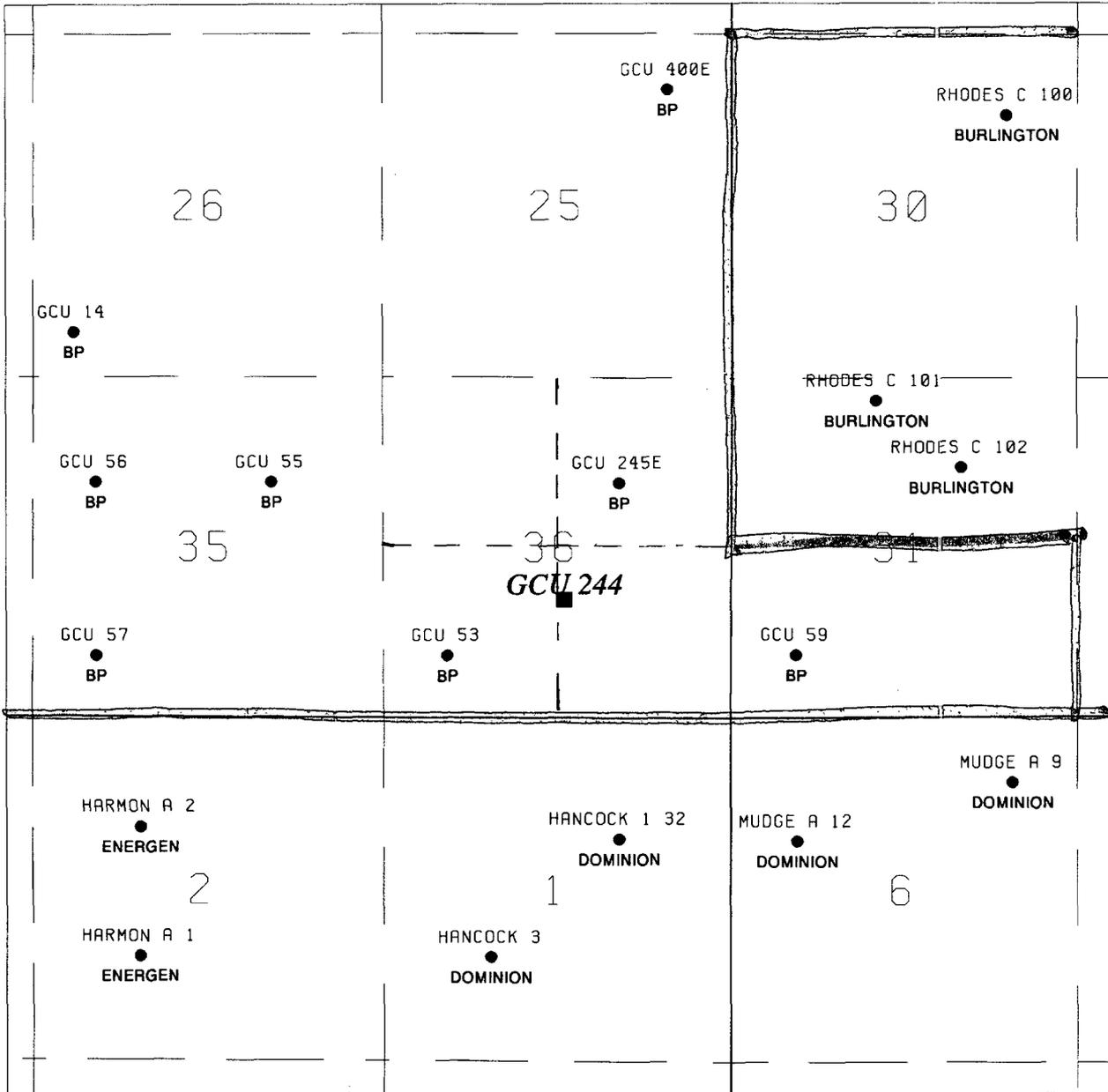
| | | | |
|---|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres 320 Ac. | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. |
|---|-------------------------------|----------------------------------|-------------------------|

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>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i> |
| | | | | | Signature <i>Cherry Hleva</i> |
| | | | | | Printed Name Cherry Hleva |
| | | | | | Title Regulatory Analyst |
| | | | | | Date 07/01/2003 |
| | | | | | 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 |

Standard 640-ac Section

1850' S 2510 EAST



| | | | |
|--|------------------|-----------------|--|
| BP America Production Co. Houston, TX | | | |
| T28N R12W Sec. 36 GCU 244 Fruitland Coal Wells | | | |
| SCALE | DRAWN M. J. RITZ | DATE 2-JUL-2003 | |
| DRAWING | | | |

District I
1625 N. French Dr., Hobbs, NM 88240

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

District II
811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

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

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

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|--|--|--|--|---|---|
| ¹ API Number 30-045-11690 | | ² Pool Code 79680 | | ³ Pool Name Kutz Pictured Cliffs, West | |
| ⁴ Property Code 000570 | | ⁵ Property Name Gallegos Canyon Unit | | | ⁶ Well Number 244 |
| ⁷ OGRID No. 000778 | | ⁸ Operator Name BP America Production Company | | | ⁹ Elevation 6033' GL |

¹⁰ Surface Location

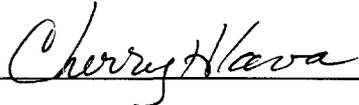
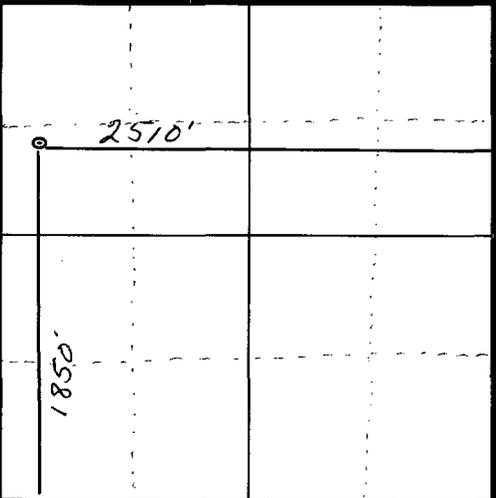
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| Unit J | 36 | 28N | 12W | | 1850' | South | 2510' | East | San Juan |

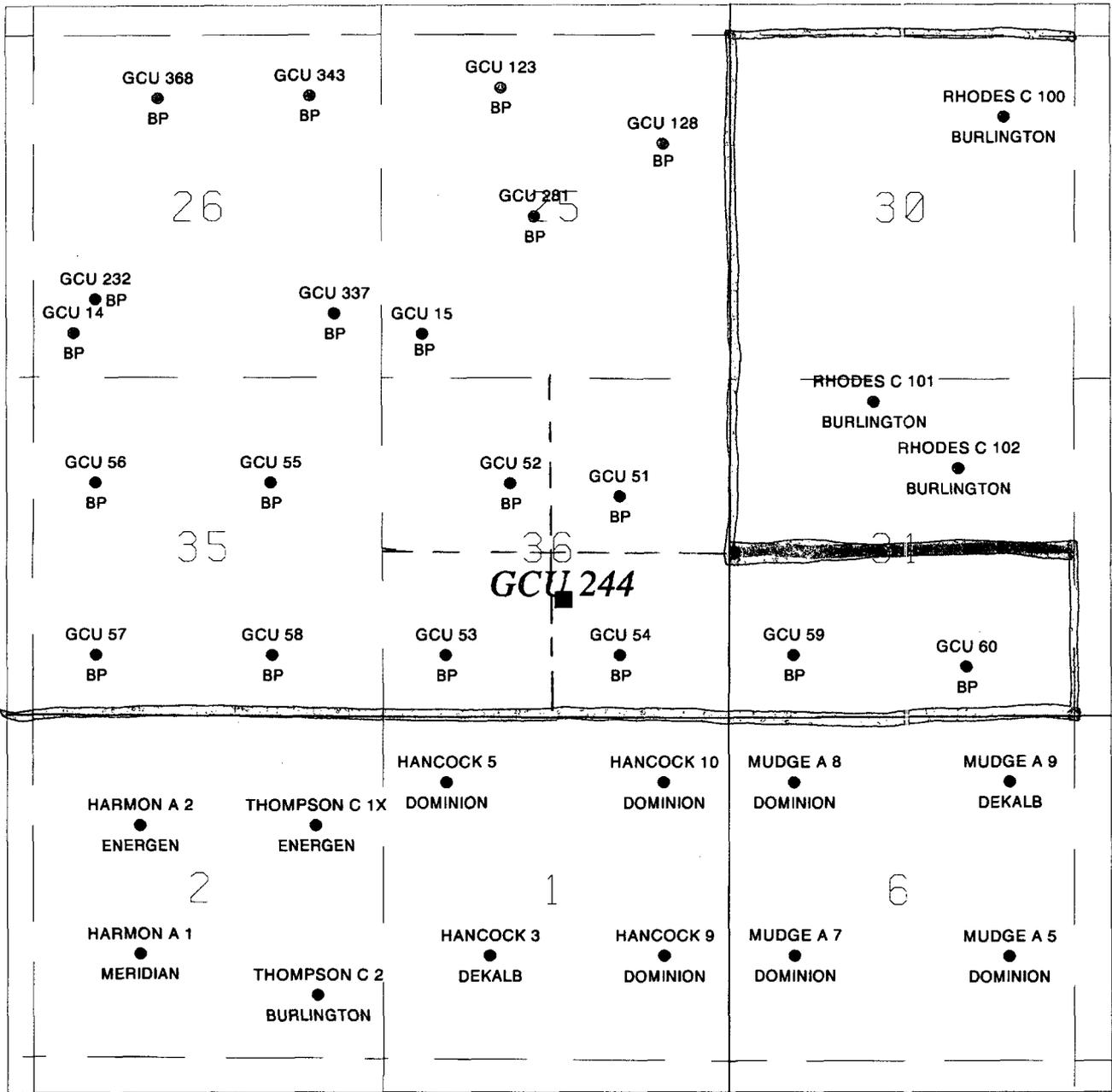
¹¹ Bottom Hole Location If Different From Surface

| 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 Ac. | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. |
|---|-------------------------------|----------------------------------|-------------------------|

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| 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 Cherry Hlava Printed Name Regulatory Analyst Title 07/01/2003 Date | |
| | | | | | 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. 3-7-1966 Date of Survey Signature and Seal of Professional Surveyor: | |
| |  | | | | ORIGINAL ON FILE Certificate Number 1463 | |



| | | | |
|---|------------------|-----------------|--|
| BP America Production Co. Houston, TX | | | |
| T28N R12W Sec. 36 GCU 244 <i>Pictured Cliffs Wells</i> | | | |
| SCALE | DRAWN M. J. RITZ | DATE 2-JUL-2003 | |
| DRAWING | | | |