

NSL - 817. A

Rec. 10/3/95
Susp. NA
Released 11/7/95

November 7, 1995

**BHP Petroleum (Americas) Inc.
1360 Post Oak Boulevard
Suite 1360
Houston, Texas 77056-3020**

Attention: Carl Kolbe

Administrative Order NSL-817-A

Dear Mr. Kolbe:

Reference is made to your application dated September 21, 1995 for a non-standard Basin-Fruitland coal gas well location for your existing Gallegos Canyon Unit Well No. 272 (API No. 30-045-22240), which was drilled in 1976 and completed in the West Kutz-Pictured Cliffs Pool at an unorthodox gas well location for said Pictured Cliffs interval (approved by Division Administrative Order NSL-817, dated December 20, 1976), 1100 feet from the North line and 2200 feet from the West line (Unit C) of Section 33, Township 28 North, Range 12 West, NMPM, San Juan County, New Mexico.

It is our understanding that the Pictured Cliffs interval will be properly plugged back and said well will be recompleted to the Basin-Fruitland Coal (Gas) Pool, which pursuant to the Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool, as promulgated by Division Order No. R-8768, as amended, is also unorthodox.

It is our further understanding that said well is to be a replacement well for your Gallegos Canyon Unit Well No. 10 (API No. 30-045-07009), located at an unorthodox coal gas well location (approved by Division Administrative Order NSL-3138, dated July 28, 1992) 1980 feet from the South and West lines (Unit K) of said Section 33, which is currently dedicated to the W/2 of said Section 33 being a standard 320-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of said Order No. R-8768, as amended, the above-described unorthodox coal gas well location for the Gallegos Canyon Unit Well No. 272 is hereby approved.

Sincerely,

Administrative Order NSL-817-A
BHP Petroleum (Americas) Inc.
November 7, 1995
Page 2

William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Aztec
U.S. Bureau of Land Management - Farmington
File: NSL-817
NSL-3138

Mike Stogner

From: Ernie Busch
To: Mike Stogner
Subject: BHP PET. (AMERICAS) INC.(NSL)
Date: Friday, October 13, 1995 2:46PM
Priority: High

GALLEGOS UNIT #272
1100' FNL; 2200' FWL
C-33-28N-12W
RECOMMEND: APPROVAL

Mike Stogner

From: Ernie Busch
To: Mike Stogner
Subject: FW: BHP PET. (AMERICAS) INC.(NSL)
Date: Friday, October 13, 1995 2:56PM
Priority: High

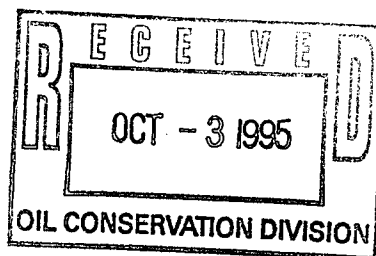
From: Ernie Busch
To: Mike Stogner
Subject: BHP PET. (AMERICAS) INC.(NSL)
Date: Friday, October 13, 1995 2:46PM
Priority: High

GALLEGOS UNIT #272
1100' FNL; 2200' FWL
C-33-28N-12W
RECOMMEND: APPROVAL IF GCU #10 IS PLUGGED OR RECOMPLETED TO ANOTHER ZONE.



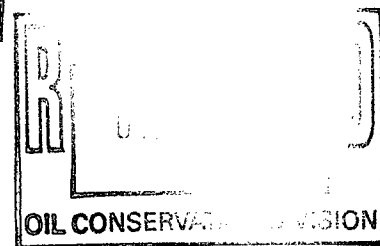
September 21, 1995

State of New Mexico
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504-2088
Attn: **Michael Stogner**



Americas Division
BHP Petroleum

Re: Non Standard Location , Administrative Approval Request
Gallegos Canyon Unit #272
NE/NW Section 33, T28N, R12W
San Juan County, New Mexico



Gentlemen:

BHP Petroleum (Americas) Inc. respectfully requests that a non-standard location be approved to allow the GCU #272 to be recompleted in the Fruitland Coal formation. The well is located 1100' FNL and 2200' FWL of Section 33, T-28-N, R-12-W in San Juan County, New Mexico.

The non-standard location is being requested so that the present acreage that is dedicated to the GCU #10 can be rededicated to the GCU #272. The GCU #10 was recompleted in the Fruitland Coal in 1992 but was uneconomical to produce and is now temporarily abandoned.

No additional surface damage is expected.

BHP is the operator of all offsetting proration units.

If you have any questions, please contact me directly at (713) 961-8423.

Sincerely,
Carl Kolbe

Carl Kolbe
Regulatory Affairs Representative

cc: Ernie Busch - OCD/Aztec, New Mexico

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

5. Lease Designation and Serial No.

SF 078903B

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

GALLEGOS CANYON UNIT

8. Well Name and No.

NO. 272

9. API Well No.

30-045-22240

10. Field and Pool, or Exploratory Area

BASIN FRUITLAND COAL

11. County or Parish, State

SAN JUAN, NEW MEXICO

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

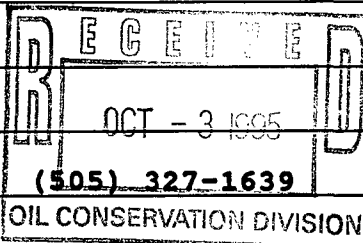
BHP PETROLEUM (AMERICAS) INC.

3. Address and Telephone No.

P.O. BOX 977 FARMINGTON, NEW MEXICO (505) 327-1639

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**1100' FNL AND 2200' FWL
NE/NW SEC.33, T28N, R12W**



12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment

☒ Recompletion

☐ Plugging Back

☐ Casing Repair

☐ Altering Casing

☐ Other

☐ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut-Off

☐ Conversion to Injection

☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

- 1.) Log well from casing shoe to surface to locate Fruitland Coal interval.
- 2.) Production test the Pictured Cliffs; if productive (25 MCF or more) set an RBP @ approximately 1,352'. If unproductive, set a CIBP @ same depth.
- 3.) Test casing and RBP or CIBP to 500 psi.
- 4.) Perforate the Fruitland Coal with 4 JSPP.
- 5.) Fracture stimulate w/a minimum of 40,000# of sand.

B.O.P.E. will consist of a 2000# preventor equipped w/pipe rams for the workstring, blind rams, and a non-rotating stripper head.

NON STANDARD SURFACE LOCATION APPROVAL IS BEING APPLIED FOR THROUGH THE NMOC.

14. I hereby certify that the foregoing is true and correct

FRED LOWERY

MANAGER FIELD OPS.

09-14-95

Signed

Title

Date

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

District I
PO Box 1988, Hobbs, NM 88241-1988
District II
PO Drawer DD, Artesia, NM 88211-8719
District III
1008 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 10, 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

API Number 30-045-22240		Pool Code 71629	Pool Name Basin Fruitland Coal
Property Code 2038	Property Name Gallegos Canyon Unit		Well Number 272
OGRID No. 2217	Operator Name BHP Petroleum (Americas) Inc.		Elevation 5680'

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
C	33	28N	12W		1100	North	2200	West	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 Ductile 320	13 Acres N	14 Joint or Infill U	15 Consolidation Code U	16 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>RECEIVED OCT - 3 1995 OIL CONSERVATION DIVISION</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Carl Kolbe</i> Signature</p> <p>Carl Kolbe Printed Name</p> <p>Regulatory Affairs Rep. Title</p> <p>9/27/95 Date</p>
		<p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Original on file</p> <p>Certificate Number</p>

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

December 20, 1976

Energy Reserves Group
P. O. Box 3280
Casper, Wyoming 82601

Attention: Dean B. Barnes

Administrative Order NSL-817

Gentlemen:

Reference is made to your application for approval of non-standard locations for your GCU-PC Well No. 267 located 1960 feet from the North line and 1700 feet from the East line of Section 23; your GCU-PC Well No. 268 located 430 feet from the South line and 430 feet from the East line of Section 32; your GCU-PC Well No. 271 located 1400 feet from the South line and 2500 feet from the East line of Section 27; and your GCU-PC Well No. 272 located 1100 feet from the North line and 2200 feet from the West line of Section 33, all in Township 28 North, Range 12 West, NMPM, Kutz-Pictured Cliffs Pool, San Juan County, New Mexico.

By authority granted me under the provisions of Rule 104 F of the Commission Rules and Regulations, the above-described unorthodox location is hereby approved.

Very truly yours,

JOE D. RAMEY,
Secretary-Director

JDR/JEK/dr

cc: Oil Conservation Commission - Aztec
Oil & Gas Engineering Committee - Hobbs
U. S. Geological Survey - Farmington



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



July 28, 1992

BRUCE KING
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

ANITA LOCKWOOD
CABINET SECRETARY

BHP Petroleum (Americas) Inc.
5847 San Felipe - Suite 3600
Houston, Texas 77057

Attention: Carl Kolbe

Administrative Order NSL-3138

Dear Mr. Kolbe:

Reference is made to your application dated December 12, 1991 for a non-standard Basin-Fruitland coal gas well location for your existing Gallegos Canyon Unit Well No. 10 which was drilled in 1953 and completed in the West Kutz - Pictured Cliffs Pool at a standard gas well location (pursuant to the Special Pool Rules applicable at the time under Division Order No. R-566) 1980 feet from the South and West lines (Unit K) of Section 33, Township 28 North, Range 12 West, NMPM, San Juan County, New Mexico.

It is my understanding that the Pictured Cliffs zone will be properly plugged back and said well will be recompleted to the Basin-Fruitland Coal Gas Pool, which pursuant to the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool as promulgated by Division Order No. R-8768, as amended, is unorthodox. Further, the W/2 of said Section 33 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of said Division Order No. R-8768, as amended, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,

WILLIAM J. LEMAY
Director

WJL/MES/jc

cc: Oil Conservation Division - Aztec
U.S. BLM - Farmington

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

11/07/95 18:51:13
OGOMES -EMFS
PAGE NO: 1

Sec : 33 Twp : 28N Rng : 12W Section Type : NORMAL

D 40.00 Indian owned U A	C 40.00 Indian owned U A	B 40.00 Indian owned U	A 40.00 Indian owned U A A
E 40.00 Indian owned U	F 40.00 Indian owned U	G 40.00 Indian owned U	H 40.00 Indian owned U

PF01 HELP
PF07 BKWD

PF02
PF08 FWD

PF03 EXIT
PF09 PRINT

PF04 GoTo
PF10 SDIV

PF05
PF11

PF06
PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

11/07/95 18:51:23
OGOMES -EMFS
PAGE NO: 2

Sec : 33 Twp : 28N Rng : 12W Section Type : NORMAL

L 40.00 Indian owned U	K 40.00 Indian owned U A	J 40.00 Indian owned U	I 40.00 Indian owned U A A
M 40.00 Indian owned U	N 40.00 Indian owned U A	O 40.00 Indian owned U	P 40.00 Indian owned U

PF01 HELP
PF07 BKWD

PF02
PF08 FWD

PF03 EXIT
PF09 PRINT

PF04 GoTo
PF10 SDIV

PF05
PF11

PF06
PF12