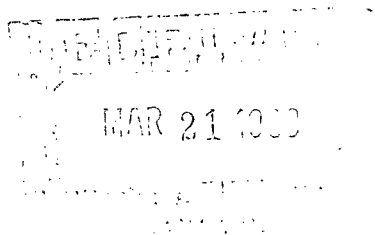


*Release Date: April*

*By DRC*

Suite 600  
5613 DTC Parkway  
Englewood, Colorado 80111  
Telephone (303) 850-9090  
DEX: (303) 850-9110



March 14, 1988



State of New Mexico  
Oil & Gas Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

RE: Request for Approval  
Unorthodox Well Location  
Gallegos Canyon Unit  
San Juan County, New Mexico

*NSL-2494  
RULE-104F(Z)  
West Bk Pictured Cliffs  
Pool  
160 Acres dedication  
NW1/4 Section 25*

Gentlemen:

BHP Petroleum (Americas) Inc. respectfully requests approval of the below referenced unorthodox well location based on the land owner's topographical preference.

Gallegos Canyon Unit No. 364  
1165' FNL, 695' FWL  
Sec. 25, T29N, R13W  
San Juan County, New Mexico  
Fee Lease

It is proposed to drill the subject well to test the Pictured Cliffs formation at a depth of 1305'. The wellsite is located on lands owned by Mr. Thomas Bolack of Farmington, New Mexico. Mr. Bolack has requested the drilling site be moved to the above location in order to limit further disruption of his rangeland.

We would appreciate your consideration in reviewing this request.

Very truly yours,

BHP PETROLEUM (AMERICAS) INC.

Chuck Williams  
Administrator, Field Services  
Rocky Mountain Region

CW:gb

**NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

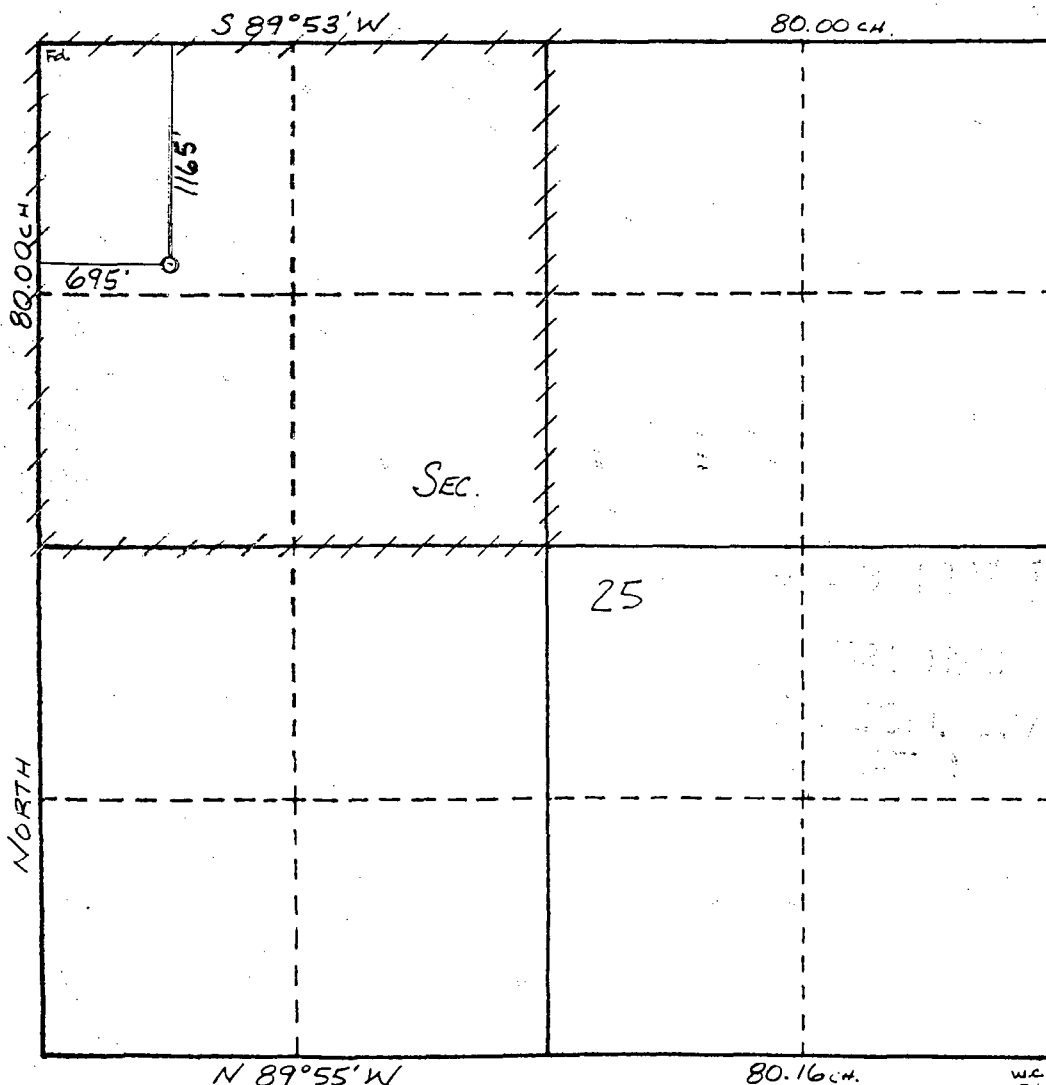
Operator <b>BHP PETROLEUM (AMERICAS) INC.</b>			Lease <b>GALLEGOS CANYON UNIT</b>		Well No. <b>364</b>
Unit Letter <b>D</b>	Section <b>25</b>	Township <b>29 N</b>	Range <b>13 W</b>	County <b>SAN JUAN</b>	
Actual Footage Location of Well: <b>1165</b> feet from the <b>NORTH</b> line and <b>695</b> feet from the <b>WEST</b> line					
Ground Level Elev: <b>5362</b>	Producing Formation <b>Pictured Cliffs</b>		Pool <b>W. Kutz Pictured Cliffs</b>		Dedicated Acreage: <b>160</b> Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes   ☐ No   If answer is "yes," type of consolidation unitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



**CERTIFICATION**

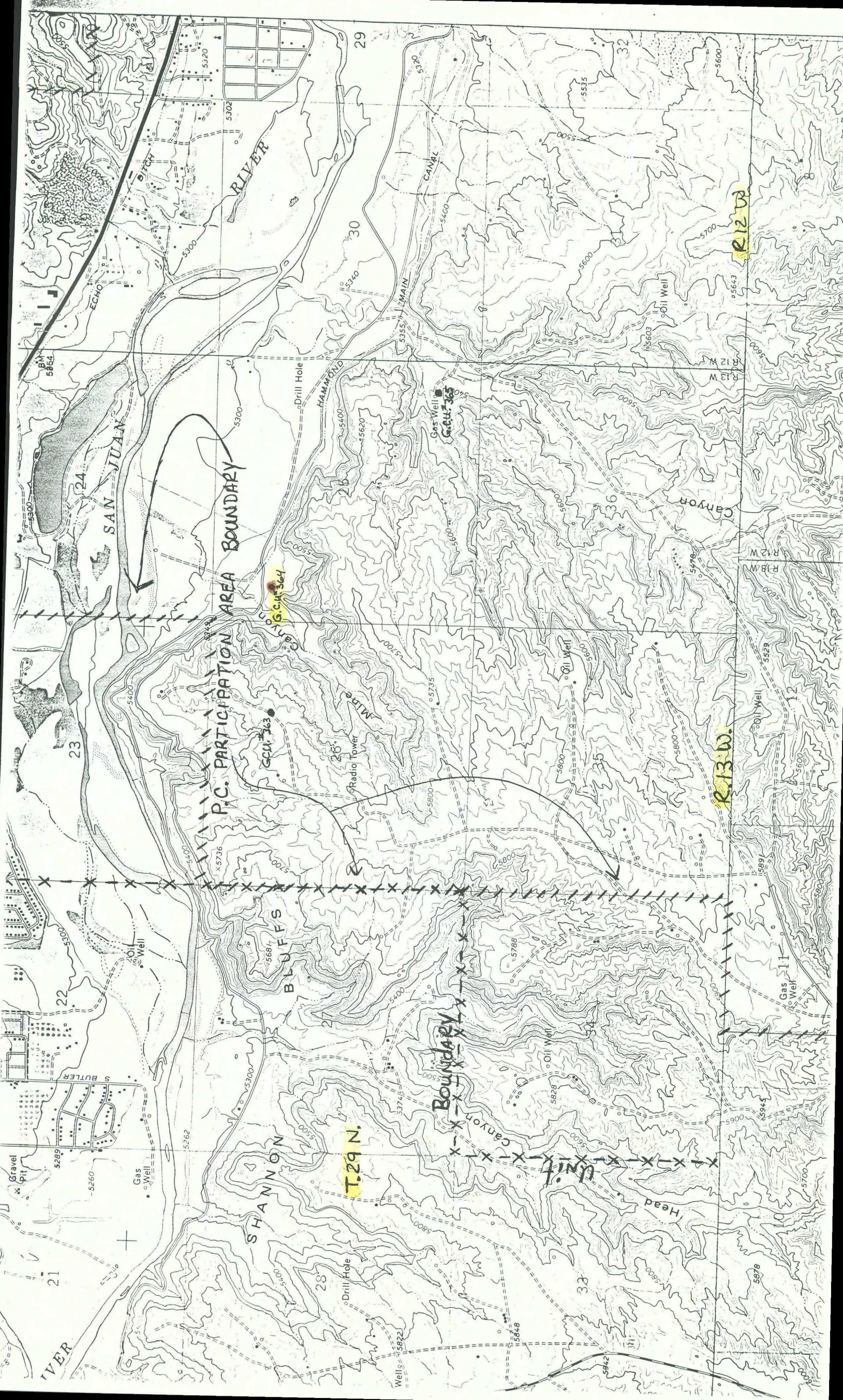
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name Chuck Williams  
 Position Administrator, F.S.  
 Company BHP Petroleum (Americas)  
 Date 03/03/88

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.

Date Surveyed 2-17-88  
William E. Mahnke, II  
 Registered Professional Engineer  
 and Land Surveyor #8466  
 Certificate No. PROFESSIONAL LAND SURVEYOR









March 16, 1988

Amoco Production Company  
501 Airport Drive  
Farmington, New Mexico 87401

RE: Notification of Proposed Unorthodox  
Well Location  
Gallegos Canyon Unit  
San Juan County, New Mexico

Gentlemen:

Please consider this letter as notice that BHP Petroleum (Americas) Inc.  
proposes to drill the below listed unorthodox well location.

Gallegos Canyon Unit No. 364  
1165' FNL, 695' FSL  
Section 25, T29N, R13W  
San Juan County, New Mexico

The subject well is to be drilled to test the Pictured Cliffs formation  
at a depth of 1305'. In accordance with the New Mexico Oil Conservation  
Division we are requesting your waivers of this well site due to the  
landowner's, Mr. Tom Bolack of Farmington, New Mexico, desire to limit  
further disruption of his rangeland. The wellsite is adjacent to Amoco's  
well No. 172.

We would very much appreciate your consideration of this request. If  
you have no objections, please notify the Oil Conservation Division as  
soon as convenient. If you do have any objection, please let me know  
and also, enter an objection to the Oil Conservation Division within 20  
days of receipt of this letter.

Very truly yours,

BHP PETROLEUM (AMERICAS) INC.

A handwritten signature in cursive script that reads "Chuck Williams".

Chuck Williams  
Administrator, Field Services  
Rocky Mountain Region

CW:gb



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

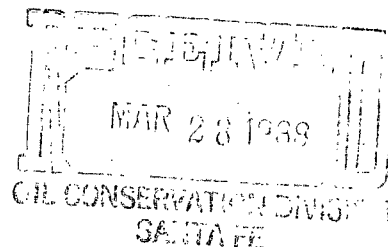
OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD  
AZTEC, NEW MEXICO 87410  
(505) 334-6178

OIL CONSERVATION DIVISION  
BOX 2088  
SANTA FE, NEW MEXICO 87501

DATE 3-21-88

RE: Proposed MC \_\_\_\_\_  
Proposed DHC \_\_\_\_\_  
Proposed NSL X \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed PMX \_\_\_\_\_



Gentlemen:

I have examined the application dated 3-18-88  
for the GHP PETROLEUM INC. GCU #364  
Operator 364-6642 Lease and Well No. D-25-290-1305  
Unit, S-T-R

and my recommendations are as follows:

APPROVE  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Yours truly,

Joe Busch