

Release Date:  
April 15 1988

By DRC

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

MAR 21 1988

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-2495  
RULE-104 F (Z)  
West Side Pictured Cliffs  
Pool  
160 Acres dedicated  
SE 14 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. 365  
765' FEL, 900' FSL  
Sec. 25, T29N, R13W  
San Juan County, New Mexico  
Federal Lease No. SF-078926

It is proposed to drill the subject well to test the Pictured Cliffs formation at a depth of 1,370'. 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. The site is adjacent to an existing location serving Amoco's well No. 172 which produces from the Dakota formation

We would appreciate your consideration in reviewing this request.

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

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.

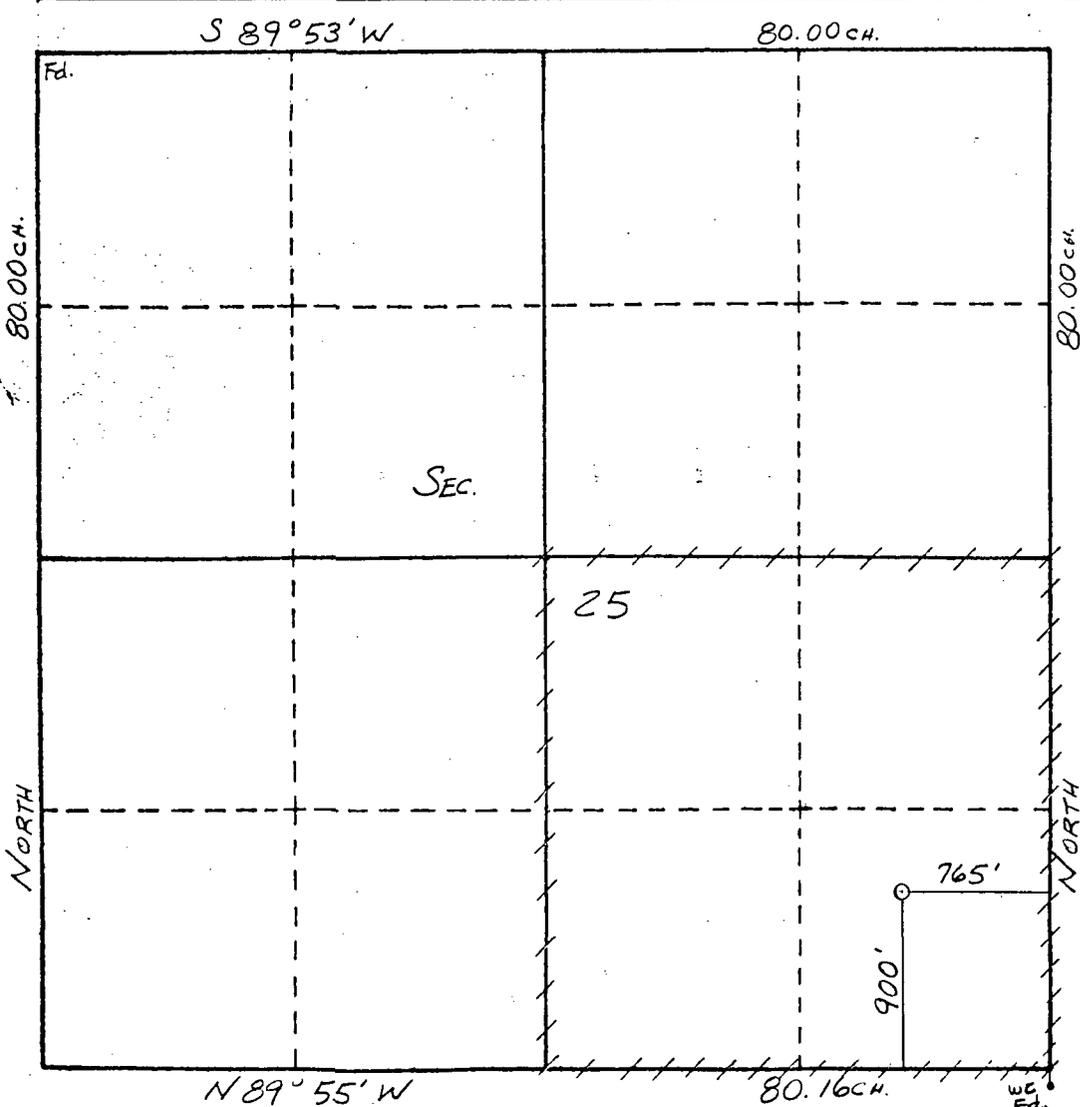
|  |  |                                 |               |                                 |                 |
|--|--|---------------------------------|---------------|---------------------------------|-----------------|
| Operator<br>BHP PETROLEUM (AMERICAS) INC.  |  | Lease<br>GALLEGOS CANYON UNIT   |               |                                 | Well No.<br>365 |
| Unit Letter<br>P   | Section<br>25                          | Township<br>29 N                | Range<br>13 W | County<br>SAN JUAN              |                 |
| Actual Footage Location of Well:<br>900 feet from the SOUTH line and 765 feet from the EAST line |  |                                 |               |                                 |                 |
| Ground Level Elev.<br>5388   | Producing Formation<br>Pictured Cliffs | Pool<br>W. Kutz Pictured Cliffs |               | Dedicated Acreage:<br>160 Acres |                 |

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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.



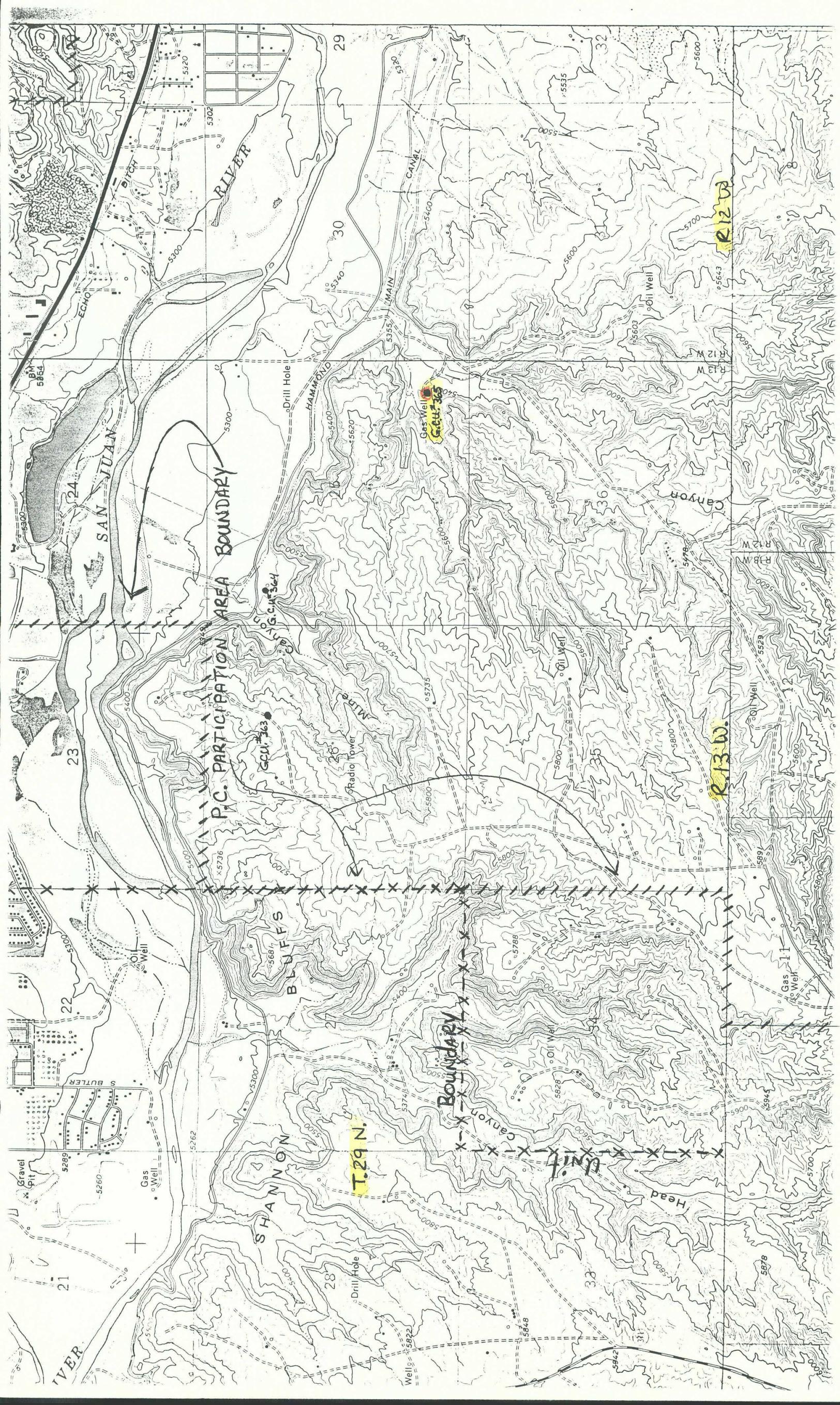
CERTIFICATION

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

Name Chuck Williams  
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 W. MEXICO  
William E. Mahanke II  
Registered Professional Engineer and Land Surveyor  
Certificate No. 8466



P.C. PARTICIPATION AREA BOUNDARY

Boundary

Unit

T.29 N.

R.13 W.

R.12 W.

SAN JUAN RIVER

BLUFFS

SHANNON

Head

CANYON

Gas Well GCU 365

Gas Well GCU 363

Gas Well I 1

Oil Well

Oil Well

Oil Well

Drill Hole

Radio Tower

Drill Hole

Well

Gas Well

Oil Well

Gravel Pit

S BUTLER

ECHO

BITCH

MAIN CANAL

HAMMOND

BM 5864

VER

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23

22

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R13 W

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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. 365  
765' FEL, 900' 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 1370'. 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 3-24-88

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 BHP PETROLEUM, INC. G.C.U. 365 P-2 S-29N-13W  
 Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

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

Yours truly,

[Signature]

RECEIVED  
 MAR 28 1988  
 OIL CONSERVATION DIVISION  
 SANTA FE