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Houston, Texas 77057
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NSL-3137

December 12, 1991

State of New Mexico
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504-2088



RE: Non Standard Location, Administrative Approval Request
Gallegos Canyon Unit #21
SW/SW Section 18-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 #21 to be recompleted in the Basin Fruitland Coal formation. The well is located 990' FSL & 722' FWL in the SW/SW quarter of Section 18 T28N-R12W in San Juan County, New Mexico.

The non-standard location is being requested in order to utilize an existing wellbore for Fruitland Coal development.

No additional surface damage is expected.

BHP is the operator of all offsetting proration units.

Please do not hesitate to contact me if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Beverly Comer".

Beverly Comer
Production Technician
(713) 780-5127

NOT 91 POD

Form 3160-5
(June 1990)

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.
SF078106

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

Gallegos Canyon Unit

8. Well Name and No.
Gallegos Canyon Unit #21

9. API Well No.
30-045-07420

10. Field and Pool, or Exploratory Area
Basin Fruitland Coal

11. County or Parish, State
San Juan County, NM

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.
5847 San Felipe, Suite 3600, Houston, TX 77057 (713) 780-5000

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
(SW/SW) Section 18-T28N-R12W
990' FSL & 722' FWL

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input checked="" type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> 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. Pressure test casing w/ 2000 psi.
2. Log well from casing shoe to surface to locate Fruitland Coal interval.
3. Plug back w/ CIBP @ approximately 1406'.
4. Perforate the Fruitland Coal w/ 4 JSPF.
5. Fracture stimulate w/ a minimum of 40,000# of sand.

B.O.P.E. will consist of a 2000# Reagan bladder type preventer, pipe rams and blind ram B.O.P.E.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Signed Beverly Comery

Title Production Technician

Date 12/11/91

(This space for Federal or State office use)

Approved by _____
Conditions of approval, if any:

Title _____

DEC 15 1991
BUREAU OF LAND MANAGEMENT

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side
OPERATOR

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

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-102
 Revised 1-1-89

OIL CONSERVATION DIVISION
 310 Old Santa Fe Trail, Room 206
 Santa Fe, New Mexico 87503

DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210

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

WELL LOCATION AND ACREAGE DEDICATION PLAT
 All Distances must be from the outer boundaries of the section

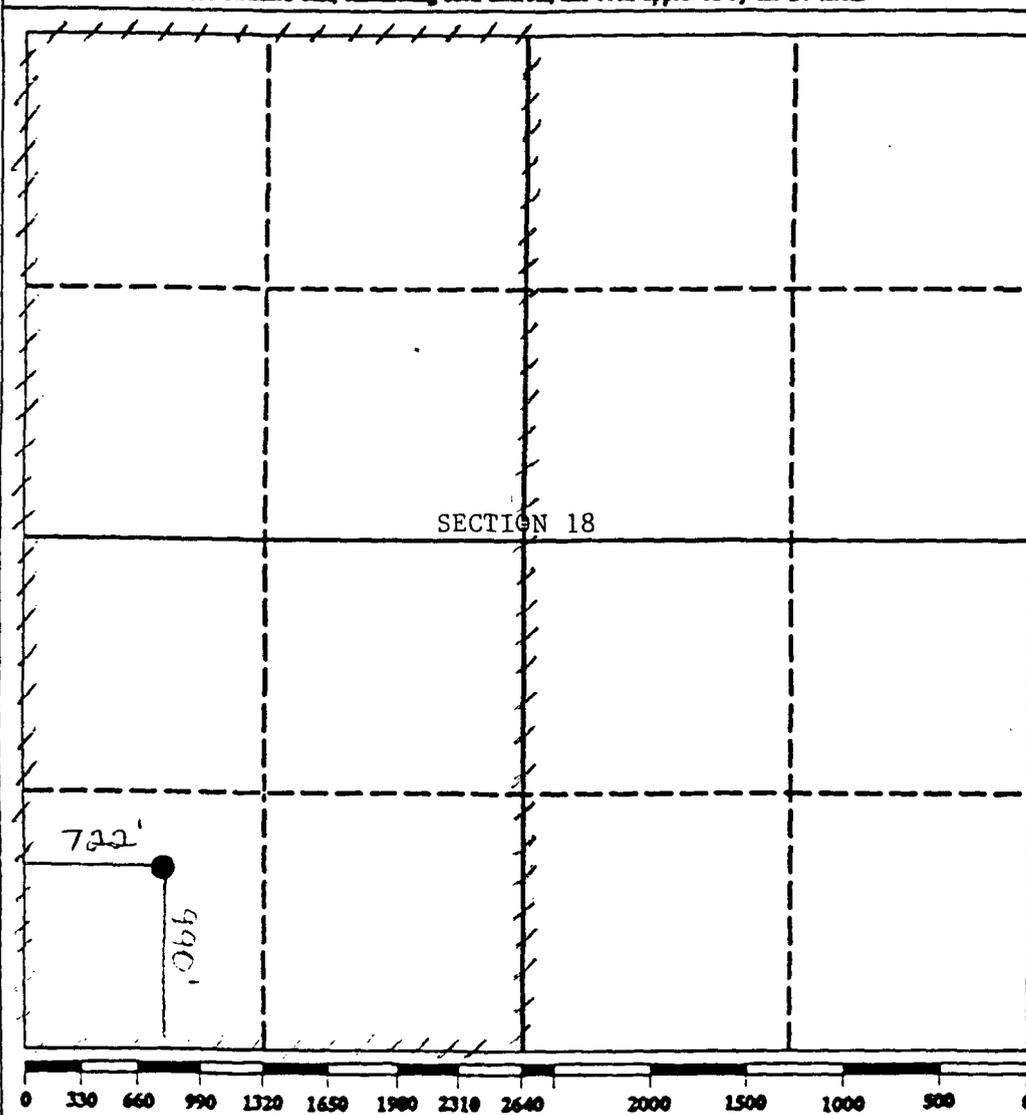
Operator BHP Petroleum (Americas), Inc.			Lease Gallegos Canyon Unit		Well No. 21
Unit Letter M	Section 18	Township 28N	Range 12W	County NMPM San Juan	
Actual Footage Location of Well: 990 feet from the South line and 722 feet from the West line					
Ground level Elev. 5658' DF	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal	Dedicated Acreage: 320 Acres	

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

Yes No If answer is "yes" type of consolidation _____

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 interest, has been approved by the Division.



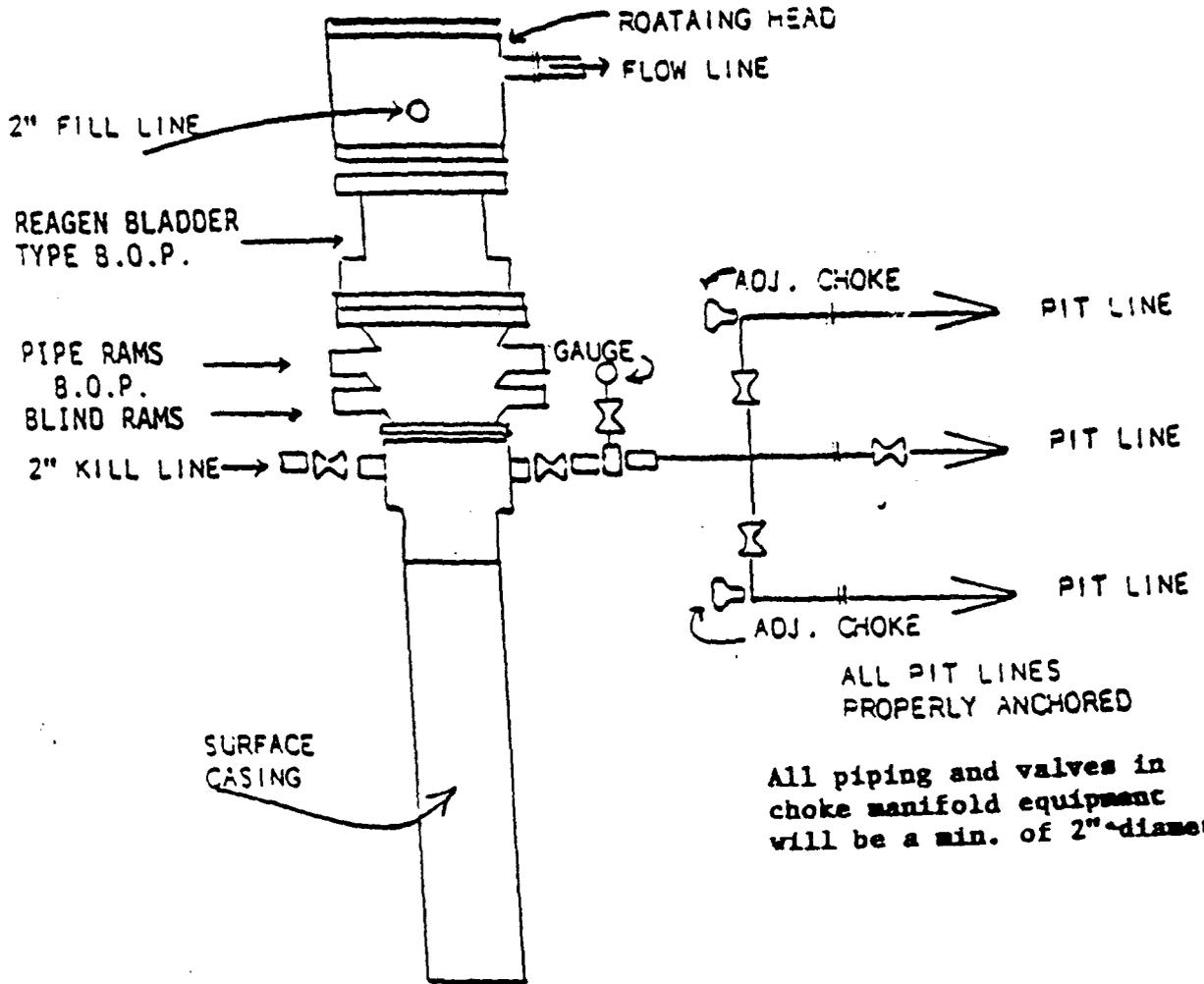
OPERATOR CERTIFICATION
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Beverly Comer*
 Printed Name: Beverly Comer
 Position: Production Technician
 Company: BHP Petroleum (Americas), Inc.
 Date: 12/11/91

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 knowledge and belief.

Date Surveyed: _____
 Signature & Seal of Professional Surveyor: _____
 Original on file
 Certificate No. _____

ZM SYSTEM



ALL PIT LINES
PROPERLY ANCHORED

All piping and valves in
choke manifold equipment
will be a min. of 2" diameter.