

OIL CONSERVATION DIVISION
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5847 San Felipe Suite 3600
Houston, Texas 77057
Telephone: (713) 780-5000
Fax (713) 780-5273
Telex 9108813603

July 6, 1993



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

ATTN: Michael E. Stogner
Chief Hearing Officer/Engineer

RE: Amended C-102 For Gallegos Canyon Unit #9

Daer Mr. Stogner,

In response to your letter of June 28, 1993, I am submitting a revised C-102 showing S/2 dedication to Gallegos Canyon Unit Well No. 9. This will make it possible for Gallegos Canyon Unit No. 273 to be recompleted in the N/2 of Section 32. If you need any additional information to grant NSL approval for GCU #273, please contact me directly at (713) 780-5301.

Sincerely,

Carl Kolbe

Carl Kolbe
Regulatory Affairs Representative

File NSL- 3/39

Office - 4 copies
Lease - 3 copies

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

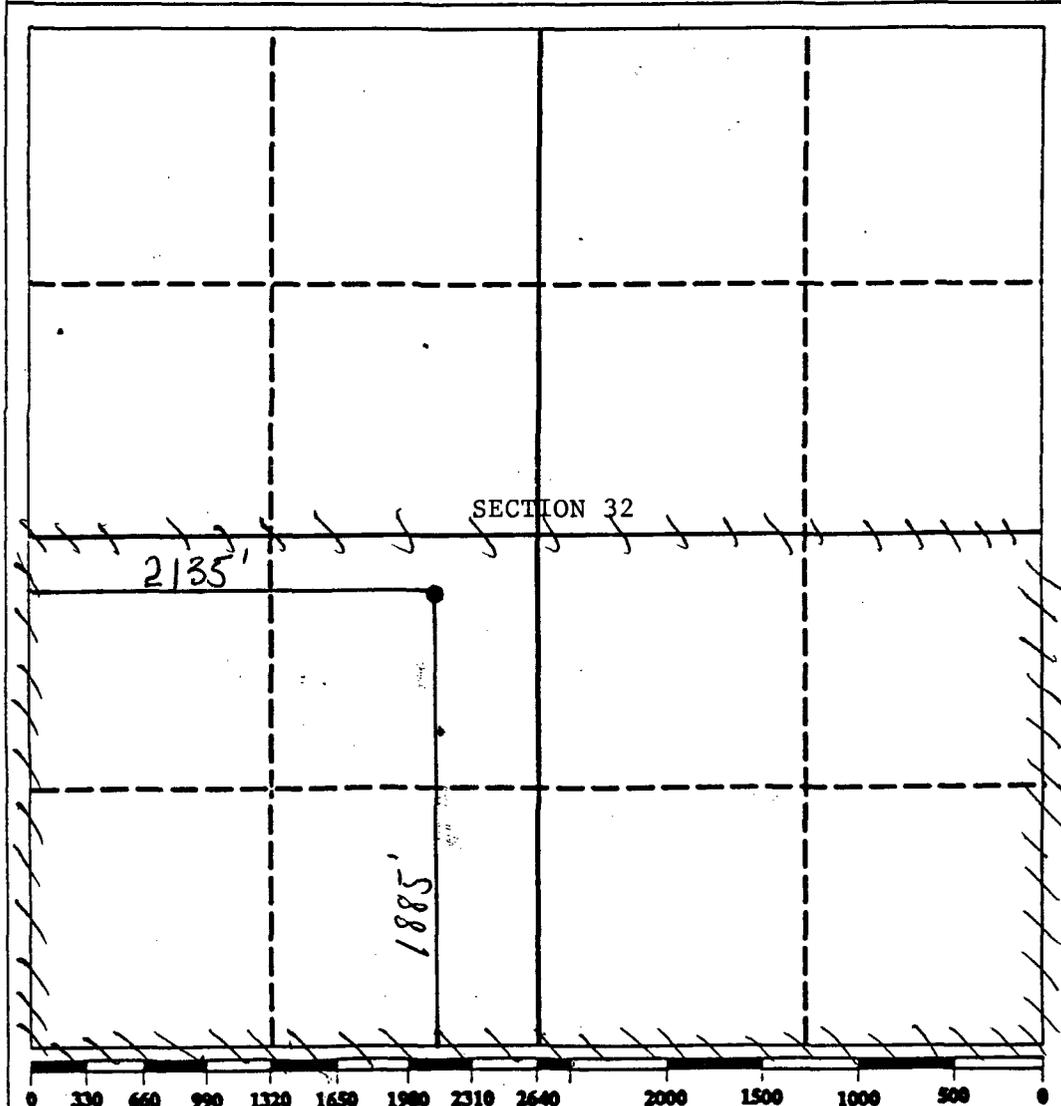
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

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. 9
Unit Letter K	Section 32	Township 28 N	Range 12 W	County NMPM San Juan	
Actual Footage Location of Well: 1885' feet from the South line and 2135' feet from the West line					
Ground level Elev. 5609' 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 hachure 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: *Carl Kolbe*
Printed Name: Carl Kolbe
Position: Regulatory Affairs Rep.
Company: BHP Petroleum (Americas) Inc.
Date: 7/6/93

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. _____

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

October 19, 1993

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



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

Administrative Order NSL-3139-A

Dear Mr. Kolbe:

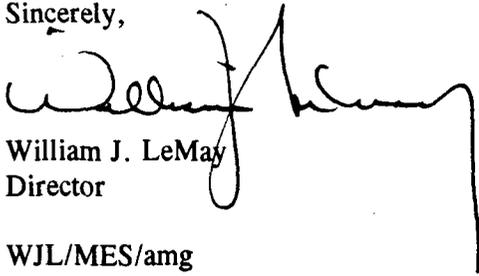
Reference is made to your application dated June 5, 1993 for a non-standard Basin-Fruitland coal gas well location for your existing Gallegos Canyon Unit Well No. 273 which was drilled in 1977 and completed in the West Kutz-Pictured Cliffs Pool at a standard gas well location (pursuant to the Special Pool Rules applicable at the time under Division Order No. R-566) 950 feet from the North line and 1770 feet from the West line (Unit C) of Section 32, 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 N/2 of said Section 32 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.

Further, Division Administrative Order NSL-3139, dated July 28, 1992, which similarly authorized the Gallegos Canyon Unit Well No. 9 to be recompleted up-hole from the West Kutz-Pictured Cliffs Pool to the Basin Fruitland Coal Gas Pool at an unorthodox coal gas well location 1885 feet from the South line and 2135 feet from the West line (Unit K) of said Section 32, shall be amended at this time to reflect its coal gas acreage rededication from the W/2 to the S/2 of said Section 32.

Sincerely,


William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Aztec
U.S. Bureau of Land Management - Farmington
File: NSL-3139