



November 14, 1995

Americas Division
BHP Petroleum

State of New Mexico
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505
Attn: **Michael Stogner**

Re: Non Standard Location , Administrative Approval Request
Gallegos Canyon Unit #14
SW/SW Section 26, 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 #14 to be recompleted in the Fruitland Coal formation. The well is located 660' FSL and 660' FWL of Section 26, T-28-N, R-12-W in San Juan County, New Mexico.

The well was originally drilled in the Pictured Cliffs formation on a standard location. With this recompletion, the Pictured Cliffs formation will be plugged and the well will be recompleted to the Fruitland Coal formation, thus making it a non-standard location.

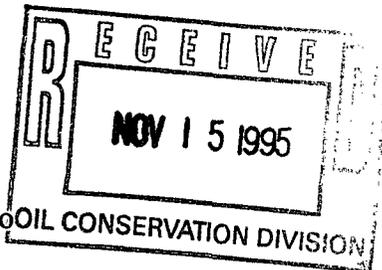
Administrative approval is being requested in order to utilize the existing wellbore. No additional surface damage is expected.

BHP is the operator of all offsetting proration units.

The attached sundry notice for the recompletion has been approved by the BLM in Farmington.

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

RECEIVED
BLM MAIL ROOM

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

SUNDRY NOTICES AND REPORTS ON WELLS

95 OCT 11 PM 2:32

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 078904

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

GALLEGOS CANYON UNIT

8. Well Name and No.

NO. 14

9. API Well No.

30-045-07101

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) 8799

660' FSL AND 660' FWL
SW/SW SEC.26, T28N, R12W

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.) 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 1,575'. 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.

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NOV 15 1995
OIL CONSERVATION DIVISION

NMOC D approval is required for the unorthodox location.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Signed **FRED LOWERY** *Fred Lowery*

Title **MANAGER FIELD OPS**

APPROVED 9/12/95

(This space for Federal or State office use)

Approved by _____
Conditions of approval, if any:

Title _____ Date **OCT 12 1995**

[Signature]
DISTRICT MANAGER

District I
 PO Box 1988, Hobbs, NM 88241-1988
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1006 Rio Bravo Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico RECEIVED
 Energy, Minerals & Natural Resources Department MAIL ROOM

Form C-102
 Revised February 10, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088
 070 FARMINGTON, NM

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-07101		Pool Code 71629	Pool Name Basin Fruitland Coal
Property Code 2038	Property Name Gallegos Canyon Unit		Well Number 14
OGRID No. 2217	Operator Name BHP Petroleum (Americas) Inc.		Elevation 5832'

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
M	26	28N	12W		660	South	660	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 Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
320	N	U	

NO A LOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

Section 26

Standard Section 26

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

Carl Kolbe

Signature
 Carl Kolbe
 Printed Name
 Regulatory Affairs Rep.
 Title
 9/27/95
 Date

18 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 belief.

Date of Survey
 Signature and Seal of Professional Surveyor:
 Original on file
 Certificate Number