

RECEIVED
JUL 31 1981
OIL CONSERVATION DIVISION
SANTA FE

South Central Region
P. O. Box 26124
Albuquerque, New Mexico 87125

247 JUL 31 1981

Amoco Production Company
Attention: G. J. Ross
Amoco Building - 17th & Bdwy.
Denver, Colorado 80202

Gentlemen:

An approved copy of your 1981 plan of development for the Gallegos Canyon Pictured Cliffs unit area, San Juan County, New Mexico is enclosed. Such plan, proposing to continue present completion operations and to monitor initial well production, was approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

Sincerely yours,

(ORIG. SGD.) JAMES W. SHELTON

FOR Gene F. Daniel
Deputy Conservation Manager
Oil and Gas

Enclosure

cc:
NEOCD, Santa Fe
Comm of Pub Lands, Santa Fe
DS, Farmington (w/enclosure)



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

LARRY KEHOE
SECRETARY

July 1, 1981

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Amoco Production Company
Amoco Building
17th & Broadway
Denver, Colorado 80202

Attention: G. J. Ross

Re: Case No. 247
Gallegos Canyon Unit
1981 Plan of Development

Gentlemen:

We hereby approve the 1981 Plan of Development for the Gallegos Canyon Unit, San Juan County, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands.

Two approved copies of the Plan of Development are returned herewith.

Yours very truly,

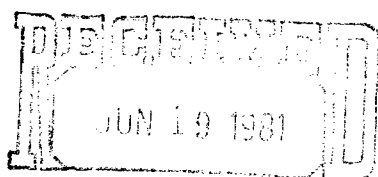
JOE D. RAMEY
Director

JDR/EP/fd
enc.

cc: U.S.G.S. - Albuquerque
Commissioner of Public Lands
Energy Reserves Group, Inc.



G. J. Ross
Division Operations
Superintendent



OIL CONSERVATION DIVISION
SANTA FE

Amoco Production Company

Denver Region
Amoco Building
17th & Broadway
Denver, Colorado 80202
Western Division
303-830-4040

247

J.W. Sutherland
Area Oil and Gas Supervisor
U.S.G.S.
P.O. Box 26124
Albuquerque, N.M. 87125

Commissioner of Public Land
State of New Mexico
Attn: Mr. Roy D. Graham
P.O. Box 1148
Santa Fe, N.M. 87501

Oil Conservation Commission
State of New Mexico
Attn: Mr. Joe Ramey
Santa Fe, N.M. 87501

Office of District Engineer
U.S.G.S.
Attn: Mr. Jim Sims
Farmington, N.M. 87401

RE: 1981 Plan of Development
San Juan County, New Mexico
Gallegos Canyon Pictured Cliffs Unit

OK
S/P
6/22/81

Gentlemen:

AMOCO Production Company, as Operator of the Gallegos Canyon Unit, on behalf of the Sub-Operator of the Pictured Cliffs Formation, Energy Reserves Group, Inc., proposes a plan of development for 1981 as follows:

Brief History

The Gallegos Canyon Unit was approved effective July 25, 1951. The current Pictured Cliffs Formation has been productive, and the unit area for said formation was contracted to the current Pictured Cliffs Participating Area.

AMOCO designated Energy Reserves Group as Sub-Operator from the surface down to the base of the Pictured Cliffs Formation, which you acknowledged in your June 19, 1980 letter.

1980 Drilling and Current Activity

Reference is made to the 1980 Revised Plan of Development filed and the nineteen (19) development locations proposed by Energy Reserves Group, Inc. Six of those locations are shut-in and waiting on pipeline. The remaining thirteen locations have all been drilled but we are waiting on completion tools. Two of the the wells were completed as producers but dually completed for disposal in the Mesaverde. The status of each well is as follows:

| <u>Location</u> | <u>Well No.</u> | <u>TOTAL DEPTH</u> | <u>STATUS</u> |
|---|-----------------|--------------------|----------------------|
| NW $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ 7-28N-12W | 308 | 1578' | WOCT |
| NW $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$ 9-28N-12W | 309 | 1500' | WOCT |
| SE $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ 9-28N-12W | 310 | 1500' | WOCT |
| NE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ 14-28N-12W | 311 | 1800' | SI IP 465MCF/135BWPD |
| SW $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$ 16-28N-12W | 312 | 1420' | SI IP 177MCF/386BWPD |
| SW $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ 16-28N-12W | 313 | 1607' | WOCT |
| NW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ 17-28N-12W | 314 | 1716' | WOCT |
| NW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ 21-28N-12W | 315 | 1535' | SI IP 205MCF/150BWPD |
| NW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ 27-28N-12W | 317 | 1650' | SI IP 319MCF/1BWPD |
| E $\frac{1}{2}$ W $\frac{1}{2}$ SE $\frac{1}{4}$ 28-28N-12W | 318 | 1635' | SI IP 40MCF/37BWPD |
| NW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ 30-28N-12W | 319 | 1595' | WOCT |
| SW $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$ 30-28N-12W | 320 | 1440' | WOCT |
| NE $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$ 12-28N-13W | 321 | 1582' | WOCT |
| NW $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ 31-29N-12W | 322 | 1651' | SI IP 414MCF/131BWPD |
| NE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ 32-29N-12W | 323 | 1630' | WOCT |
| NE $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ 32-29N-12W | 324 | 1466' | WOCT |
| NE $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ 35-29N-13W | 325 | 1772' | WOCT |
| NW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ 36-29N-13W | 326 | 1535' | WOCT |
| NW $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ 36-29N-13W | 327 | 1385' | SI IP 388MCF/304BWPD |

Total cumulative and 1980 production from the Pictured Cliffs formation are as follows:

Cumulative (1/1/81).....51.05 BCF

1980 Production..... 2.125 BCF

This production is from a total of 88 wells classified as unit producers.

You will please take note that the 1980 Plan of Development was revised to delete the SE/4NW/4SE/4 of Sec 21-T28N,R12W location. The unit working interest owners have since clarified the questioned ownership of the well and the well is a producing unit well.

The dually completed wells are as follows:

#306 --- Fruitland Producer -- Mesaverde Disposal

#307 --- Pictured Cliffs Producer -- Mesaverde Disposal

#328 --- Fruitland Producer -- Mesaverde Disposal

These wells have aided the handling of the increased water production.

1981 Plan of Development

The early months of 1981 have been spent completing the drilling of the nineteen locations as proposed in 1980. The next few months will be spent on completion operations. The Sub-Operator feels it is advisable to closely watch the initial production from the wells being completed before any additional wells are proposed. The water volume will also

be reviewed to determine the necessity of any additional water disposal wells. If production warrants drilling, the Sub-Operator will then consider which of the few remaining locations would be most advisable.

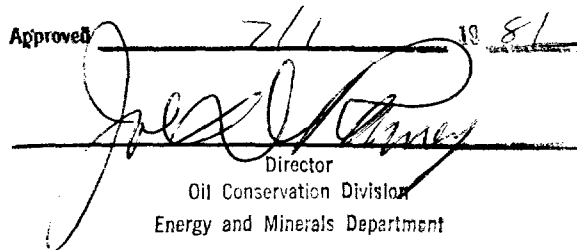
We respectfully request your approval of this Plan of Development. Please notify both AMOCO and Energy Reserves Group as to your approval.

Very truly yours,



AMOCO Production Company

cc: ERG
Working Interest Owners

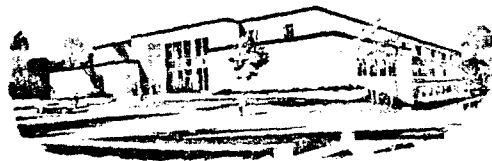
Approved 7/1 19 86

Director
Oil Conservation Division
Energy and Minerals Department

THIS APPROVAL GRANTED SUBJECT TO LIKE APPROVAL
BEING GRANTED BY THE UNITED STATES GEOLOGICAL
SURVEY AND BY THE COMMISSIONER OF PUBLIC LANDS
OF THE STATE OF NEW MEXICO.

State of New Mexico



ALEX J. ARMIJO
COMMISSIONER



Commissioner of Public Lands

June 24, 1981

247
P. O. BOX 1148
SANTA FE, NEW MEXICO 87501

Amoco Production Company
Amoco Building
17th & Broadway
Denver, Colorado 80202

Re: 1981 Plan of Development
San Juan County, New Mexico
Gallegos Canyon Pictured Cliffs Unit

ATTENTION: Mr. G. J. Ross

Gentlemen:

The Commissioner of Public Lands has this date approved your 1981 Plan of Development for the Gallegos Canyon Unit, Pictured Cliffs formation, San Juan County, New Mexico. Our approval is subject to like approval by the United States Geological Survey and the New Mexico Oil Conservation Division.

Enclosed is one approved copy of the plan.

Please remit a Three (\$3.00) Dollar filing fee.

We are also in receipt of a copy of the Designation of Sub-Operator which reflects Energy Reserves Group as sub-Operator of the Pictured Cliffs Formation. We have this date accepted for record purposes.

Very truly yours,

ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

BY:
FLOYD O. PRANDO, Assistant Director
Oil and Gas Division
AC 505-827-2748

AJA/FOP/s
encl.

cc: OCD-Santa Fe, New Mexico
 USGS-Roswell, New Mexico

 Energy Reserves Group, Inc
 Denver, Colorado 80201



G. J. Ross
Division Operations
Superintendent

Amoco Production Company

Denver Region
Amoco Building
17th & Broadway
Denver, Colorado 80202
Western Division
303-830-4040

J.W. Sutherland
Area Oil and Gas Supervisor
U.S.G.S.
P.O. Box 26124
Albuquerque, N.M. 87125

Commissioner of Public Land
State of New Mexico
Attn: Mr. Roy D. Graham
P.O. Box 1148
Santa Fe, N.M. 87501

Oil Conservation Commission
State of New Mexico
Attn: Mr. Joe Ramey
Santa Fe, N.M. 87501

Office of District Engineer
U.S.G.S.
Attn: Mr. Jim Sims
Farmington, N.M. 87401

RE: 1981 Plan of Development
San Juan County, New Mexico
Gallegos Canyon Pictured Cliffs Unit

Gentlemen:

AMOCO Production Company, as Operator of the Gallegos Canyon Unit, on behalf of the Sub-Operator of the Pictured Cliffs Formation, Energy Reserves Group, Inc., proposes a plan of development for 1981 as follows:

Brief History

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We respectfully request your approval of this Plan of Development.
Please notify both AMOCO and Energy Reserves Group as to your approval.

D. Ross

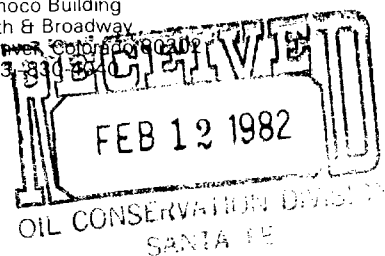
Approved: June 24, 1981
Alex Armijo
 COMMISSIONER OF PUBLIC LANDS

cc: ERG
Working Interest Owners



Amoco Production Company (USA)

Denver Region
Amoco Building
17th & Broadway
Denver, Colorado 80202
303-831-8400



January 29, 1981

Mr. J. W. Sutherland (5)
Area Oil and Gas Supervisor
United States Geological Survey
P. O. Box 26124
Albuquerque, NM 87125

Commissioner of Public Lands
State of New Mexico
P. O. Box 1148
Santa Fe, NM 87501

NM Oil Conservation Div (3)
State of New Mexico
Box 2088
Santa Fe, NM 87501

Working Interest Owners
(See Attached List)

File: SPT-293-416

Dear Mr. Sutherland:

1982 Plan of Development and Operation
Gallegos Canyon Unit - Dakota Formation
San Juan County, New Mexico

Amoco Production Company, Unit Operator of the Gallegos Canyon Unit, submits for your consideration and approval the following Plan of Development for the year 1982.

The Gallegos Canyon Unit was formed in November, 1950, for the development of the West Kutz Pictured Cliffs and Gallup Pools. The Dakota zone was later established to be productive in 1952. Since that time the Dakota participating area has been enlarged several times and presently contains 41,529 acres. The first Gallegos Canyon Unit Dakota well, the Gallegos Canyon Unit No. 8 was drilled in January, 1952, on a 320 acre well spacing. In 1961, 13 additional Gallegos Canyon Unit Dakota wells were drilled. From 1963 through 1966, 119 Dakota wells were drilled, of which five were dry holes. In December, 1970, the Gallegos Canyon Unit No. 264 was drilled, completing development of the Unit on single well-320 acre spacing. This completion made a total of 128 producing wells.

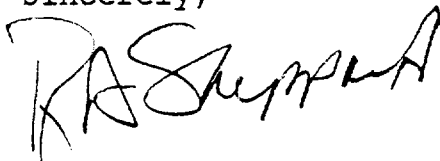
J. W. Sutherland, et al.,
January 29, 1982
Page 2

Through December 31, 1981, 61 Dakota infill wells have been drilled in GCU. Of these 61 wells, 24 were drilled in 1981. Nine wells which were on the 1981 plan of development but not drilled have been carried over to the 1982 plan of development. Thirteen wells on the 1981 plan of development have been deferred until the Dakota infill drilling program has been fully evaluated. However, it is understood that changing conditions may require modification of this program during 1982. The deferred wells are shown on Attachment #1. Production in GCU is currently averaging 28.4 MMSCFD from 163 producing Dakota wells.

Plan of Action

On May 22, 1979, the New Mexico Oil Conservation District approved the drilling of an additional well on each 320 acre spacing unit in the Basin Dakota Field (Order No. R-1670-V). Since that time, Amoco has initiated infill drilling within the Gallegos Canyon Unit. During 1982, 11 infill wells will be drilled in the Gallegos Canyon Unit. These well names, including their location, are shown on Attachment #2. Amoco Production Company, as Unit Operator, hereby proposes the attached list of Basin Dakota infill wells for 1982 drilling in the Gallegos Canyon Unit. Your early approval of this Plan of Development for 1982 would be deeply appreciated.

Sincerely,



R. A. Sheppard

MBK/mlt

Attachments

LTR545

GALLEGOS CANYON UNIT AREA
WELLS DEFERRED FROM 1981
PLAN OF DEVELOPMENT
SAN JUAN COUNTY, NEW MEXICO

| | | | |
|-----|------|------|------------------|
| GCU | 139E | SW/4 | Sec 18-T28N-R11W |
| GCU | 159E | SW/4 | Sec 31-T28N-R12W |
| GCU | 165E | SE/4 | Sec 29-T28N-R12W |
| GCU | 191E | NE/4 | Sec 32-T28N-R12W |
| GCU | 198E | SE/4 | Sec 20-T28N-R12W |
| GCU | 215E | SE/4 | Sec 16-T28N-R12W |
| GCU | 230E | SE/4 | Sec 23-T28N-R12W |
| GCU | 231E | NW/4 | Sec 27-T28N-R12W |
| GCU | 193E | SW/4 | Sec 30-T28N-R12W |
| GCU | 85E | SE/4 | Sec 19-T28N-R12W |
| GCU | 177E | NE/4 | Sec 31-T28N-R12W |
| GCU | 224E | SE/4 | Sec 18-T28N-R12W |
| GCU | 176E | NE/4 | Sec 25-T28N-R13W |

GALLEGOS CANYON UNIT AREA
1982 PLAN OF DEVELOPMENT
SAN JUAN COUNTY, NEW MEXICO

| | | | |
|-----------|------|------|------------------|
| GCU | 95E | SE/4 | Sec 31-T28N-R11W |
| GCU | 158E | NE/4 | Sec 36-T28N-R13W |
| GCU | 192E | NE/4 | Sec 30-T28N-R12W |
| GCU | 239E | SE/4 | Sec 24-T28N-R13W |
| GCU | 246E | SE/4 | Sec 35-T28N-R12W |
| GCU | 241E | SW/4 | Sec 29-T28N-R12W |
| GCU | 164E | NW/4 | Sec 35-T29N-R13W |
| GCU Com E | 161E | SW/4 | Sec 23-T29N-R13W |
| GCU | 190E | SW/4 | Sec 32-T28N-R12W |
| GCU | 174E | NW/4 | Sec 28-T28N-R12W |
| GCU Com H | 180E | SW/4 | Sec 28-T29N-R12W |

MBK/tle
012882
LTR545

MAILING LIST OF WORKING INTEREST OWNERS
GALLEGOS CANYON UNIT AREA
SAN JUAN COUNTY, NEW MEXICO

American Petrofina Co. of Texas
P. O. Box 2159
Dallas, TX 75221
Attention: Mr. Elmer T. Ireton
Production Department

Atlantic Richfield Company
Outside Operating Unit
Box 2819
Dallas, TX 75221

Southland Royalty Co.
Suite 1000
410 17th Street
Denver, CO 80202

Featherstone Farms Ltd.
1717 West Second Street
Roswell, NM 88201

A. C. Pegg
P. O. Box 66067
Chicago, IL 66066

E. I. Rydin
P. O. Box 66067
Chicago, IL 66066

L. B. Hodges
P. O. Box 489
Roswell, NM 88201

Sun Gas Company
P. O. Box 20
Dallas, TX 75221
Attention: Manager, Unitization
& Joint Operations

Nicole Huve Trust
c/o First National Bank Trustee
Trust Department
P. O. Box 1331
Amarillo, TX 79180

National Drilling Company, Inc.
4810 North Kenneth Avenue
Chicago, IL 60630

Getty Oil Company
1515 Arapahoe, Suite 700
Tower 3
Denver, CO 80202

Texaco, Inc.
P. O. Box 2100
Denver, CO 80202

Wood Oil Company
320 South Boston, Suite 518
Tulsa, OK 74103

Supron Energy Corporation
Building V Fifth Floor
10300 North Central Expressway
Dallas, TX 75231

Texon Energy Corporation
A/W A. W. Dugan
1212 Main Street, Suite 1400
Houston, TX 77002

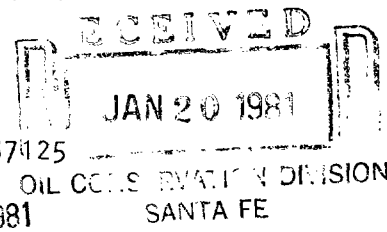
Mesa Petroleum Company
P. O. Box 2009
Amarillo, TX 79189

Patricia Kalvestrand
115 Conifer Lane
Walnut Creek, CA 94598



United States Department of the Interior

GEOLOGICAL SURVEY
South Central Region
P. O. Box 26124
Albuquerque, New Mexico 87125



15 JAN 1981

Amoco Production Company
Attention: G. J. Ross
Amoco Building
17th & Broadway
Denver, Colorado 80202

Gentlemen:

Three approved copies of your 1980 amended plan of development for the Gallegos Canyon unit area, San Juan County, New Mexico, are enclosed. Such plan, proposing to drill well No. 217 E in the NW $\frac{1}{4}$ sec. 13, T. 28 N., R. 12 W., to test the Dakota formation was approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

Sincerely yours,

[Signature]

Gene F. Daniel
Deputy Conservation Manager
Oil and Gas

Enclosures

cc:
NMOCD, Santa Fe

OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

December 8, 1980

Amoco Production Company
Amoco building
17th & Broadway
Denver, Colorado 80202

Attention: G. J. Ross

Re: Case No. 247
Gallegos Canyon Unit
Corrected Revised Plan of
Development for the
Pictured Cliffs Formation

Gentlemen:

We hereby approve the Corrected Revised Plan of Development for 1980 for the Pictured Cliffs Formation for the Gallegos Canyon Unit, San Juan County, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands.

Two approved copies of the Corrected Plan of Development are returned herewith.

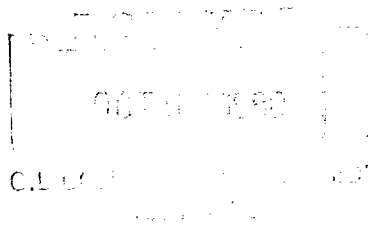
Yours very truly,

JOE D. RAHEY
Director

JDR/EP/fd
enc.

cc: U.S.G.S. - Roswell
Commissioner of Public Lands

C
O
P
Y



Amoco Production Company

Denver Region
Amoco Building
17th & Broadway
Denver, Colorado 80202
Western Division
303-830-4040

G. J. Ross
Division Operations
Superintendent

September 25, 1980

247

J.W. Sutherland
Area Oil and Gas Supervisor
U.S.G.S.
P.O. Box 26124
Albuquerque, N.M. 87125

Commissioner of Public Lands
State of New Mexico
Attn: Mr. Roy D. Graham
P.O. Box 1148
Santa Fe, N.M. 87501

Oil Conservation Commission
State of New Mexico
Attn: Mr. Joe Ramey
P.O. Box 2088
Santa Fe, N.M. 87501

Office of District Engineer
U.S.G.S.
Attn: Mr. Jim Sims
P.O. Box 959
Farmington, N.M. 87401

File: DFK- 1274-416

RE: Corrected Revised Plan of Development - 1980
Gallegos Canyon Pictured Cliffs Unit
San Juan County, New Mexico

OK
12-11-80
ZJP

Gentlemen:

Amoco Production Company, as operator of the Gallegos Canyon Unit, on behalf of the suboperator of the Gallegos Canyon Pictured Cliffs Unit, Energy Reserves Group, Inc., herewith submits pages 1 and 2 for the captioned plan which have been revised to correct certain well locations which Energy has been required to change.

Please insert the enclosures into that revised plan of development which was submitted for your approval on August 1, 1980.

Very truly yours,

G. J. Ross

12/8 80
Joe Ramey



G. J. Ross
Division Operations
Superintendent

Amoco Production Company

Denver Region
Amoco Building
17th & Broadway
Denver, Colorado 80202
Western Division
303-830-4040

J. W. Sutherland (5)
Area Oil and Gas Supervisor
U.S.G.S.
P. O. Box 26124
Albuquerque, NM 87125

Commissioner of Public Lands (3)
State of New Mexico
Attn: Mr. Roy D. Graham
P. O. Box 1148
Santa Fe, NM 87501

Oil Conservation Commission (3)
State of New Mexico
Attn: Mr. Joe Ramey
P. O. Box 2088
Santa Fe, NM 87501

Office of District Engineer
United States Geological Survey
Attn: Mr. Jim Sims
P. O. Box 959
Petroleum Club Plaza Bldg.
Farmington, NM 87401

File: DFK-744-416

RE: Revised Plan of Development - 1980
Gallegos Canyon Pictured Cliffs Unit
San Juan County, New Mexico

Gentlemen:

Amoco Production Company, as operator of Gallegos Canyon Unit, on behalf of the suboperator of the Gallegos Canyon Pictured Cliffs Unit, Energy Reserves Group, Inc., proposes a plan of development for 1980 which provides for the drilling of five wells within the Pictured Cliffs participating area to be used for disposal of produced water from the Pictured Cliffs formation. It is proposed to drill through and complete in the Mesa Verde zone. Three of these wells will be new wells, the other two will be re-entry of previously plugged and abandoned wells (Unit Wells No. 260 and No. 225).

The proposed new well locations will be in the SW $\frac{1}{4}$ of Sec. 30-T29N-R12W, the SE $\frac{1}{4}$ of Sec. 19-T29N-R12W, and the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Sec. 33-T29N-R12W. Dual completions are planned for both wells utilizing the Pictured Cliffs for production and the Mesa Verde for disposal on the former and the Fruitland for production and the Mesa Verde for disposal on the latter two.

The following Pictured Cliff development wells are planned for the remainder of 1980:

revised 9/25/80



Amoco Production Company

Denver Region
Amoco Building
17th & Broadway
Denver, Colorado 80202

Western Division
303 - 830-4040

G. J. Ross
Division Operations
Superintendent

LOCATION

PROPOSED DEPTH

| | | |
|--|------------|-------|
| NW $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ | 7-28N-12W | 1610' |
| NW $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$ | 9-28N-12W | 1620' |
| SE $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ | 9-28N-12W | 1530' |
| NE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ | 14-28N-12W | 1590' |
| SW $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$ | 16-28N-12W | 1620' |
| SW $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ | 16-28N-12W | 1570' |
| NW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ | 17-28N-12W | 1850' |
| NW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ | 21-28N-12W | 1820' |
| -omitted- | | |
| NW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ | 27-28N-12W | 1680' |
| E $\frac{1}{2}$ W $\frac{1}{2}$ SE $\frac{1}{4}$ | 28-28N-12W | 1630' |
| NW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ | 30-28N-12W | 1630' |
| SW $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$ | 30-28N-12W | 1540' |
| NE $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$ | 12-28N-13W | 1700' |
| NW $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ | 31-29N-12W | 1600' |
| NE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ | 32-29N-12W | 1655' |
| NE $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ | 32-29N-12W | 1620' |
| NE $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ | 35-29N-13W | 1890' |
| NW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ | 36-29N-13W | 1650' |
| NW $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ | 36-29N-13W | 1510' |

Operations during 1979 in the Gallegos Canyon Pictured Cliffs Unit involved the following wells:

| | |
|--|----|
| Drilled and Completed waiting on pipeline..... | 17 |
| Drilled and not completed..... | 7 |
| Producing..... | 60 |
| Shut-in..... | 11 |

Total cumulative and most recent production for the Gallegos Canyon Pictured Cliffs Unit are tabulated as follows:

| | |
|--------------------------|--------------|
| Cumulative (1/1/80)..... | 48.9 BCF |
| Production (1/79)..... | 137 MMCF/Mo. |

Discussion

The Gallegos Canyon Pictured Cliffs Unit has produced significant quantities of gas since its discovery and has been able to maintain a high rate of production over the past several years. Energy Reserves Group, Inc., the sub-operator of the unit, proposes to drill the new wells listed earlier, to provide a solution to handling part of the increased water production and also plans

revised 9/25/80

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

December 8, 1980

Amoco Production Company
Amoco Building
17th & Broadway
Denver, Colorado 80202

Attention: G. J. Ross

Re: Case No. 247
Gallegos Canyon Unit
1981 Plan of Development
and Operation for the
Dakota Formation

Gentlemen:

We hereby approve the 1981 Plan of Development and Operation for the Dakota Formation for the Gallegos Canyon Unit, San Juan County, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands.

Two approved copies of the Plan of Development and Operation are returned herewith.

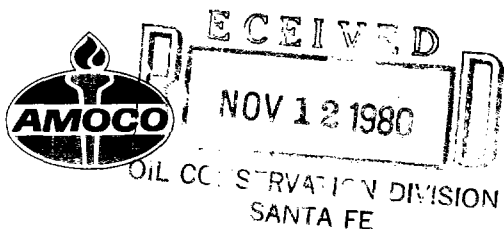
Yours very truly,

JOE D. RAMEY
Director

JDR/EP/fd
enc.

cc: U.S.G.S. - Roswell
Commissioner of Public Lands

C
O
P
Y



247

Amoco Production Company

Denver Region
Amoco Building
17th & Broadway
Denver, Colorado 80202
303-830-4040

O/K
12/1/80
3/p

October 29, 1980

Mr. Curtis J. Little (5)
Area Oil and Gas Supervisor
United States Geological Survey
P. O. Box 2487
Farmington, NM 87401

Commissioner of Public Lands (1)
State of New Mexico
P. O. Box 1148
Santa Fe, NM 87501

N. M. Oil Conservation Div. (1)
State of New Mexico
Box 2088
Santa Fe, NM 87501

Working Interest Owners
(See attached list)

File: RAT-654-416

Dear Mr. Little:

1981 Plan of Development and Operation
Gallegos Canyon Unit-Dakota Formation
San Juan County, New Mexico

Amoco Production Company, Unit Operator of the Gallegos Canyon Unit, submits for your consideration and approval the following Plan of Development for the year 1981.

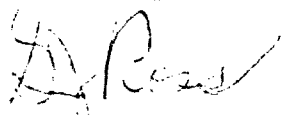
The Gallegos Canyon Unit was formed in November, 1950, for the development of the West Kutz Pictured Cliffs and Gallup Pools. The Dakota zone was later established to be productive in 1952. Since that time the Dakota participating area has been enlarged several times and presently contains 41,529 acres. The first Gallegos Canyon Unit Dakota well, the Gallegos Canyon Unit No. 8 was drilled in January, 1952, on a 320 acre well spacing. In 1961, 13 additional Gallegos Canyon Unit Dakota wells were drilled. From 1963 through 1966, 119 Dakota wells were drilled, of which five were dry holes. In December, 1970, the Gallegos Canyon Unit No. 264 was drilled, completing development of the Unit on single well-320 acre spacing. This completion made a total of 128 producing wells. Average daily production for the Gallegos Canyon Unit Dakota was 16,046 MCFD or an average of 125 MCFD/well during the month of July, 1980.

Mr. Curtis J. Little, et al,
October 29, 1980
Page Two

Plan of Action

On May 22, 1979, the New Mexico Oil Conservation District approved the drilling of an additional well on each 320 acre spacing units in the Basin Dakota Field (Order No. R-1670-V). Since this time, Amoco has initiated infill drilling within the Gallegos Canyon Unit. During 1980, 48 infill wells will be drilled in the Gallegos Canyon Unit as outlined in our 1980 Plan of Development. For these reasons, Amoco Production Company, as Unit Operator, hereby proposes the attached list of Basin Dakota infill wells for 1981 drilling in the Gallegos Canyon Unit. Your early approval of this Plan of Development for 1981 would be deeply appreciated.

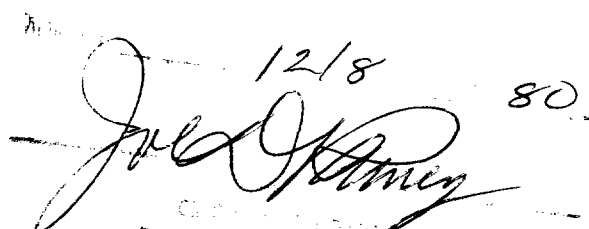
Sincerely,



RAS/bmk

Attachments

AB285

12/8 80.

Joe Ramsey
Energy and Minerals Department

Gallegos Canyon Unit Area
1981 Plan of Development
(San Juan County, New Mexico)

| | |
|----------------------|--------------------|
| GCU Com "D" No. 160E | SW/4-S27-T29N-R12W |
| GCU Com "H" No. 180E | SW/4-S28-T29N-R12W |
| GCU Com "I" No. 181E | NE/4-S34-T29N-R12W |
| GCU No. 139E | SW/4-S18-T28N-R11W |
| GCU No. 167E | NE/4-S18-T28N-R11W |
| GCU No. 168E | NW/4-S19-T28N-R11W |
| GCU No. 212E | SE/4-S32-T29N-R12W |
| GCU No. 182E | SW/4-S19-T28N-R11W |
| GCU No. 197E | NE/4-S36-T29N-R13W |
| GCU Com "F" No. 162E | NE/4-S36-T29N-R12W |
| GCU No. 193E | SW/4-S30-T28N-R12W |
| GCU No. 85E | SE/4-S19-T28N-R12W |
| GCU No. 192E | NE/4-S30-T28N-R12W |
| GCU No. 241E | SW/4-S29-T28N-R12W |
| GCU No. 177E | NE/4-S31-T28N-R12W |
| GCU No. 159E | SW/4-S31-T28N-R12W |
| GCU No. 158E | NE/4-S36-T28N-R13W |
| GCU No. 163E | SW/4-S26-T29N-R13W |
| GCU No. 164E | NW/4-S35-T29N-R13W |
| GCU No. 224E | SE/4-S18-T28N-R12W |

| | |
|--------------|--------------------|
| GCU No. 209E | NW/4-S15-T28N-R12W |
| GCU No. 189E | SW/4-S36-T29N-R13W |
| GCU No. 239E | SE/4-S24-T28N-R13W |
| GCU No. 176E | NE/4-S25-T28N-R13W |
| GCU No. 215E | SE/4-S16-T28N-R12W |
| GCU No. 198E | SE/4-S20-T28N-R12W |
| GCU No. 86E | SE/4-S35-T29N-R13W |
| GCU No. 226E | NW/4-S18-T28N-R12W |
| GCU No. 161E | SW/4-S23-T29N-R13W |
| GCU No. 190E | SW/4-S32-T28N-R12W |
| GCU No. 165E | SE/4-S29-T28N-R12W |
| GCU No. 191E | NE/4-S32-T28N-R12W |
| GCU No. 231E | NW/4-S27-T28N-R12W |
| GCU No. 230E | SE/4-S23-T28N-R12W |

RAS:bmK
 110580
 AB285

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

December 8, 1980

Amoco Production Company
Amoco Building
17th & Broadway
Denver, Colorado 80202

Attention: G. J. Ross

Re: Case No. 247
Gallegos Canyon Unit
Second Supplement to 1980
Plan of Development and
Operation for the Dakota
Formation

Gentlemen:

We hereby approve the Second Supplement to the 1980 Plan of Development and Operation for the Dakota Formation for the Gallegos Canyon Unit, San Juan County, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands.

Two approved copies of the Second Supplement are returned herewith.

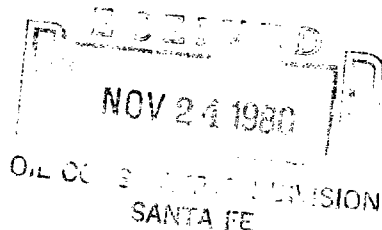
Yours very truly,

JOE D. RAHEY
Director

JDR/EP/fd
enc.

cc: U.S.G.S. - Roswell
Commissioner of Public Lands

C
O
P
Y



247

G. J. Ross
Division Operations
Superintendent

Amoco Production Company

Denver Region
Amoco Building
17th & Broadway
Denver, Colorado 80202
Western Division
303-830-4040

November 10, 1980

Mr. J. W. Sutherland (5)
Area Oil and Gas Supervisor
United States Geological Survey
P. O. Box 26124
Albuquerque, NM 87125

Commissioner of Public Lands (3)
State of New Mexico
P. O. Box 1148
Santa Fe, NM 87501

New Mexico Oil Conservation Division (3)
State of New Mexico
Box 2088
Santa Fe, NM 87501

Working Interest Owners
(See Attached List)

File: DFK-1094-416

Gentlemen:

Second Supplement - 1980 Plan of Development and Operation
Gallegos Canyon Unit - Dakota Formation
San Juan County, New Mexico

Our original 1980 Plan of Development and Operation for the above referenced unit was approved by your office on December 12, 1979. Our First Supplement consisted of two additional wells.

We would like to add the well listed below to our original Plan of Development and we submit this Second Supplement to our original Plan of Development for your consideration and approval.

| <u>Well No.</u> | <u>Location</u> | <u>Depth</u> |
|-------------------------------|------------------------|--------------|
| Gallegos Canyon Unit No. 217E | NW/4 Sec. 13-T28N-R12W | 6500' |

Sincerely,

HLM/lp

JCN149

12/8

80

State of New Mexico



247

Commissioner of Public Lands

December 2, 1980

ALEX J. ARMIJO
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO 87501

Amoco Production Company
17th. & Broadway
Denver, Colorado 80202

Re: Second Supplement-1980 Plan of Development and Operation for the
Gallegos Canyon Unit-Dakota Formation
San Juan County, New Mexico

ATTENTION: Mr. G. J. Ross

Gentlemen:

The Commissioner of Public Lands has this date approved the Second Supplement-1980 Plan of Development and Operation for the Canyon Unit, Dakota Formation, San Juan County, New Mexico. Such supplement calls for an additional well, the No. 217E NW/4 Section 13-Township 28 North, Range 12 West, to be added to your original Plan of Development. Our approval is subject to like approval by the United States Geological Survey and the New Mexico Oil Conservation Division.

Enclosed is one approved copy for your files.

Please remit a Three (\$3.00) Dollar filing fee.

Very truly yours,

ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

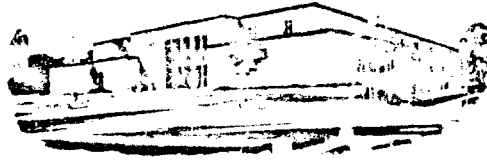
BY:

FLOYD O. PRANDO, Assistant Director
Oil and Gas Division
AC 505-827-2748

AJA/FOP/s
encl.

cc: OCD-Santa Fe, New Mexico ✓
 USGS-Roswell, New Mexico
 USGS-Albuquerque, New Mexico

State of New Mexico



Commissioner of Public Lands

November 17, 1980

ALEX J. ARMIJO
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO 87501

247

Amoco Production Company
Amoco Building
17th & Broadway
Denver, Colorado 80202

Re: 1981 Plan of Development and Operation
Gallegos Canyon Unit-Dakota Formation
San Juan County, New Mexico

ATTENTION: Mr. G. J. Ross

Gentlemen:

The Commissioner of Public Lands has this date approved your 1981 Plan of Development and Operation for the Gallegos Canyon Unit, Dakota Formation, San Juan County, New Mexico. Such plan proposes the drilling of 34 infill wells during 1981. Our approval is subject to like approval by the United States Geological Survey and the New Mexico Oil Conservation Division.

Enclosed is one approved copy for your files.

Please remit a Three (\$3.00) Dollar filing fee.

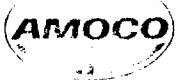
Very truly yours,

ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

BY:
FLOYD O. PRANDO, Assistant
Director-Oil and Gas Division
AC 505-827-2748

AJA/RDG/s
encls.
cc:

OCD-Santa Fe, New Mexico
USGS-Roswell, New Mexico
USGS-Albuquerque, New Mexico



RECEIVED
Nov 10 9 31 AM '80

Amoco Production Company

Denver Region
Amoco Building
17th & Broadway
Denver, Colorado 80202
303-830-4040

October 29, 1980

Mr. Curtis J. Little (5)
Area Oil and Gas Supervisor
United States Geological Survey
P. O. Box 2487
Farmington, NM 87401

Commissioner of Public Lands (1)
State of New Mexico
P. O. Box 1148
Santa Fe, NM 87501

N. M. Oil Conservation Div. (1)
State of New Mexico
Box 2088
Santa Fe, NM 87501

Working Interest Owners
(See attached list)

File: RAT-654-416

Dear Mr. Little:

1981 Plan of Development and Operation
Gallegos Canyon Unit-Dakota Formation
San Juan County, New Mexico

Amoco Production Company, Unit Operator of the Gallegos Canyon Unit, submits for your consideration and approval the following Plan of Development for the year 1981.

The Gallegos Canyon Unit was formed in November, 1950, for the development of the West Kutz Pictured Cliffs and Gallup Pools. The Dakota zone was later established to be productive in 1952. Since that time the Dakota participating area has been enlarged several times and presently contains 41,529 acres. The first Gallegos Canyon Unit Dakota well, the Gallegos Canyon Unit No. 8 was drilled in January, 1952, on a 320 acre well spacing. In 1961, 13 additional Gallegos Canyon Unit Dakota wells were drilled. From 1963 through 1966, 119 Dakota wells were drilled, of which five were dry holes. In December, 1970, the Gallegos Canyon Unit No. 264 was drilled, completing development of the Unit on single well-320 acre spacing. This completion made a total of 128 producing wells. Average daily production for the Gallegos Canyon Unit Dakota was 16,046 MCFD or an average of 125 MCFD/well during the month of July, 1980.

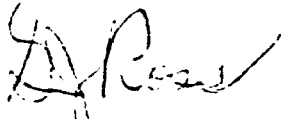
Mr. Curtis J. Little, et al,
October 29, 1980
Page Two

RECEIVED
Nov 10 9 31 AM '80

Plan of Action

On May 22, 1979, the New Mexico Oil Conservation District approved the drilling of an additional well on each 320 acre spacing units in the Basin Dakota Field (Order No. R-1670-V). Since this time, Amoco has initiated infill drilling within the Gallegos Canyon Unit. During 1980, 48 infill wells will be drilled in the Gallegos Canyon Unit as outlined in our 1980 Plan of Development. For these reasons, Amoco Production Company, as Unit Operator, hereby proposes the attached list of Basin Dakota infill wells for 1981 drilling in the Gallegos Canyon Unit. Your early approval of this Plan of Development for 1981 would be deeply appreciated.

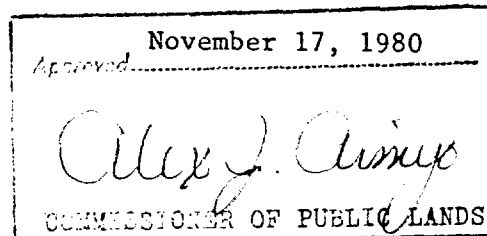
Sincerely,



RAS/bmk

Attachments

AB285



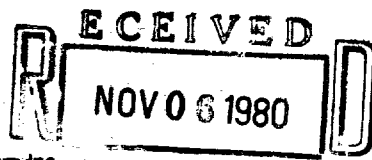
SUBJECT TO LIKE APPROVAL BY THE
UNITED STATES GEOLOGICAL SURVEY
AND THE NEW MEXICO OIL CONSERVATION
DIVISION.

Gallegos Canyon Unit Area
1981 Plan of Development
(San Juan County, New Mexico)

| | |
|----------------------|--------------------|
| GCU Com "D" No. 160E | SW/4-S27-T29N-R12W |
| GCU Com "H" No. 180E | SW/4-S28-T29N-R12W |
| GCU Com "I" No. 181E | NE/4-S34-T29N-R12W |
| GCU No. 139E | SW/4-S18-T28N-R11W |
| GCU No. 167E | NE/4-S18-T28N-R11W |
| GCU No. 168E | NW/4-S19-T28N-R11W |
| GCU No. 212E | SE/4-S32-T29N-R12W |
| GCU No. 182E | SW/4-S19-T28N-R11W |
| GCU No. 197E | NE/4-S36-T29N-R13W |
| GCU Com "F" No. 162E | NE/4-S36-T29N-R12W |
| GCU No. 193E | SW/4-S30-T28N-R12W |
| GCU No. 85E | SE/4-S19-T28N-R12W |
| GCU No. 192E | NE/4-S30-T28N-R12W |
| GCU No. 241E | SW/4-S29-T28N-R12W |
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| GCU No. 159E | SW/4-S31-T28N-R12W |
| GCU No. 158E | NE/4-S36-T28N-R13W |
| GCU No. 163E | SW/4-S26-T29N-R13W |
| GCU No. 164E | NW/4-S35-T29N-R13W |
| GCU No. 224E | SE/4-S18-T28N-R12W |

| | |
|--------------|--------------------|
| GCU No. 209E | NW/4-S15-T28N-R12W |
| GCU No. 189E | SW/4-S36-T29N-R12W |
| GCU No. 239E | SE/4-S24-T28N-R13W |
| GCU No. 176E | NE/4-S25-T28N-R13W |
| GCU No. 215E | SE/4-S16-T28N-R12W |
| GCU No. 198E | SE/4-S20-T28N-R12W |
| GCU No. 86E | SE/4-S35-T29N-R13W |
| GCU No. 226E | NW/4-S18-T28N-R12W |
| GCU No. 161E | SW/4-S23-T29N-R13W |
| GCU No. 190E | SW/4-S32-T28N-R12W |
| GCU No. 165E | SE/4-S29-T28N-R12W |
| GCU No. 191E | NE/4-S32-T28N-R12W |
| GCU No. 231E | NW/4-S27-T28N-R12W |
| GCU No. 230E | SE/4-S23-T28N-R12W |

RAS:bmh
 110580
 AB285



247

Energy Reserves Group
P.O. Box 1407, Zip 80201
First of Denver Plaza, Suite 3200
633 Seventeenth Street
Denver, Colorado
Phone 303 572 3323

SANTA FE

 Energy Reserves Group

November 3, 1980

J. A. Sutherland (5)
Area Oil and Gas Supervisor
U.S.G.S.
P. O. Box 26124
Albuquerque, NM 87125

Commissioner of Public Land (3)
State of New Mexico
Attention: Mr. Roy D. Graham
P. O. Box 1148
Santa Fe, NM 87501

Oil Conservation Commission (3)
State of New Mexico
Attention: Mr. Joe Ramey
P. O. Box 2088
Santa Fe, NM 87501

Office of District Engineer
United States Geological Survey
Attention: Mr. Jim Sims
P. O. Box 959
Petroleum Club Plaza Building
Farmington, NM 87401

File: DFK-744-416

RE: Revised Plan of Development - 1980
Gallegos Canyon Pictured Cliffs Unit
San Juan County, New Mexico

Gentlemen:

Amoco Production Company as operator of the Gallegos Canyon Unit, has recently submitted on behalf of Energy Reserves Group, Inc. as sub-operator of the Gallegos Canyon Pictured Cliffs Unit, the revised plan of development for the Pictured Cliffs Unit for 1980. A typographical error was made in the description for the location of one of the wells to be drilled in Section 16, T28N-R12W. The description which read:

T28N-R12W
Section 16: SW $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$

should be changed to read:

T28N-R12W
Section 16: SW $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$

I've enclosed, herewith, a copy of form C-107 for the permitting of said well which shows the correct location.

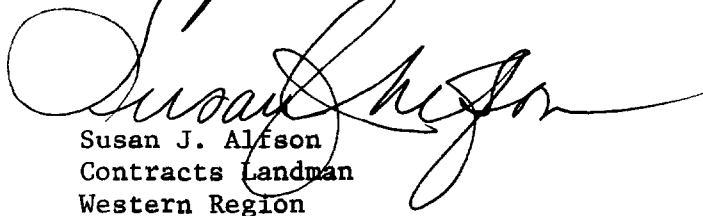
Energy herewith also requests to be informed, by the State of New Mexico Oil and Gas Conservation Commission and the District Engineer for the USGS,

J. A. Sutherland
Commissioner of Public Land
Oil Conservation Commission
Office of District Engineer
November 3, 1980
Page 2



of the status of the captioned application. To date we have received approval from the Commissioner of Public Lands and the Office of Area Oil and Gas Supervisor.

Sincerely yours,
ENERGY RESERVES GROUP, INC.



Susan J. Alfson
Contracts Landman
Western Region

cc: G. J. Ross w/attach
Amoco Production Co.

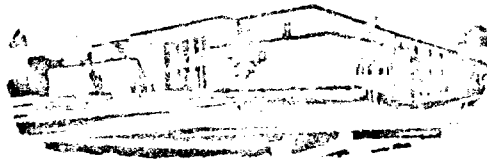
R. M. Wakefield
Lee McLean

attach
SJA/jb

Form C-107
Revised 10-1-7

Fred B. Kern
Fred B. Kern, Jr.
Certificate
3950

State of New Mexico



Commissioner of Public Lands

ALEX J. ARMIJO
COMMISSIONER

October 14, 1980

247
P. O. BOX 1148
SANTA FE, NEW MEXICO 87501

Amoco Production Company
Amoco Building
17th & Broadway
Denver, Colorado 80202

Re: Corrected Revised Plan of Development
for 1980
Gallegos Canyon Pictured Cliffs Unit
San Juan County, New Mexico

ATTENTION: Mr. G. J. Ross

Gentlemen:

We are in receipt of three copies each of revised pages 1 and 2 for the captioned plan which have been revised to correct certain well locations.

These pages have been inserted into the revised plan of development which you submitted August 1, 1980.

Enclosed is one copy each of the revised pages reflecting the date they were received in this office.

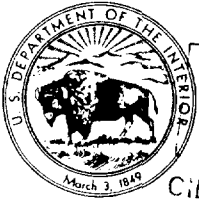
Very truly yours,

ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

BY:
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505-827-2748

AJA/RDG/s
encl.
cc:

OCD-Santa Fe, New Mexico ✓
USGS-Roswell, New Mexico
USGS-Albuquerque, New Mexico



United States Department of the Interior

OCT 09 1980

GEOLOGICAL SURVEY

South Central Region

P. O. Box 26124

Albuquerque, New Mexico 87125

OIL CONSERVATION DIVISION
SANTA FE

07 OCT 1980

247

Amoco Production Company
Attention: Mr. Ross
17th and Broadway
Denver, Colorado 80202

Gentlemen:

Two approved copies of your 1980 corrected revised plan of development for the Gallegos Canyon unit area, San Juan County, New Mexico are enclosed. Such plan, proposing to drill five wells to be used for disposal of produced water from the Pictured Cliffs formation with three new locations and re-entry of unit wells No. 260 and No. 225, and the drilling of 19 Pictured Cliffs development wells as delineated in the plan, was approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

Sincerely yours,

ORIGINAL SIGNED BY:

Jack Willock
Acting Deputy Conservation
Manager, Oil and Gas

Enclosures

cc:
NMOCD, Santa Fe

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

September 24, 1980

Amoco Production Company
Amoco Building
17th & Broadway
Denver, Colorado 80202

Attention: G. J. Ross

Re: Case No. 247
Gallegos Canyon Pictured
Cliffs Unit
1980 Revised Plan of
Development

Gentlemen:

We hereby approve the 1980 Revised Plan of Development for the Gallegos Canyon Pictured Cliffs Unit, San Juan County, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands.

Two approved copies of the Revised Plan are returned herewith.

Yours very truly,

JOE D. RAMEY
Director

JDR/EP/fd
enc.

cc: U.S.G.S. - Roswell
Commissioner of Public Lands
Energy Reserves Group, Inc.

C
O
P
Y



247

G. J. Ross
Division Operations
Superintendent

Amoco Production Company

Denver Region
Amoco Building
17th & Broadway
Denver, Colorado 80202
Western Division
303-830-4040

August 1, 1980

J. W. Sutherland (5)
Area Oil and Gas Supervisor
U.S.G.S.
P. O. Box 26124
Albuquerque, NM 87125

Commissioner of Public Lands (3)
State of New Mexico
Attn: Mr. Roy D. Graham
P. O. Box 1148
Santa Fe, NM 87501

Oil Conservation Commission (3)
State of New Mexico
Attn: Mr. Joe Ramey
P. O. Box 2088
Santa Fe, NM 87501

Office of District Engineer
United States Geological Survey
Attn: Mr. Jim Sims
P. O. Box 959
Petroleum Club Plaza Bldg.
Farmington, NM 87401

File: DFK-744-416

RE: Revised Plan of Development - 1980
Gallegos Canyon Pictured Cliffs Unit
San Juan County, New Mexico

OK
9/15/80
EJP

Gentlemen:

Amoco Production Company, as operator of Gallegos Canyon Unit, on behalf of the suboperator of the Gallegos Canyon Pictured Cliffs Unit, Energy Reserves Group, Inc., proposes a plan of development for 1980 which provides for the drilling of five wells within the Pictured Cliffs participating area to be used for disposal of produced water from the Pictured Cliffs formation. It is proposed to drill through and complete in the Mesa Verde zone. Three of these wells will be new wells, the other two will be re-entry of previously plugged and abandoned wells (Unit Wells No. 260 and No. 225).

The proposed new well locations will be in the SW $\frac{1}{4}$ of Sec. 30-T29N-R12W, the SE $\frac{1}{4}$ of Sec. 19-T29N-R12W, and the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Sec. 33-T29N-R12W. Dual completions are planned for both wells utilizing the Pictured Cliffs for production and the Mesa Verde for disposal on the former and the Fruitland for production and the Mesa Verde for disposal on the latter two.

The following Pictured Cliff development wells are planned for the remainder of 1980:



| <u>LOCATION</u> | | <u>PROPOSED DEPTH</u> |
|--|------------|-----------------------|
| SW $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ | 7-28N-12W | 1610' |
| NW $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$ | 9-28N-12W | 1620' |
| NW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ | 9-28N-12W | 1530' |
| NE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ | 14-28N-12W | 1590' |
| SW $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$ | 16-28N-12W | 1620' |
| NE $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ | 16-28N-12W | 1570' |
| NE $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ | 17-28N-12W | 1850' |
| NW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ | 21-28N-12W | 1820' |
| SE $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ | 21-28N-12W | 1770' |
| NW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ | 27-28N-12W | 1680' |
| NW $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$ | 28-28N-12W | 1630' |
| SE $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ | 30-28N-12W | 1630' |
| SW $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$ | 30-28N-12W | 1540' |
| NE $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$ | 12-28N-13W | 1700' |
| SW $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ | 31-29N-12W | 1600' |
| NE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ | 32-29N-12W | 1655' |
| NW $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ | 32-29N-12W | 1620' |
| SE $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ | 35-29N-13W | 1890' |
| NW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ | 36-29N-13W | 1650' |
| SE $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ | 36-29N-13W | 1510' |

Operations during 1979 in the Gallegos Canyon Pictured Cliffs Unit involved the following wells:

| | |
|--|----|
| Drilled and Completed waiting on pipeline..... | 17 |
| Drilled and not completed..... | 7 |
| Producing..... | 60 |
| Shut-in..... | 11 |

Total cumulative and most recent production for the Gallegos Canyon Pictured Cliffs Unit are tabulated as follows:

| | |
|--------------------------|--------------|
| Cumulative (1/1/80)..... | 48.9 BCF |
| Production (1/79)..... | 137 MMCF/Mo. |

Discussion

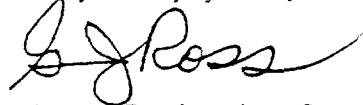
The Gallegos Canyon Pictured Cliffs Unit has produced significant quantities of gas since its discovery and has been able to maintain a high rate of production over the past several years. Energy Reserves Group, Inc., the sub-operator of the unit, proposes to drill the new wells listed earlier, to provide a solution to handling part of the increased water production and also plans

to re-enter the plugged and abandoned wellbores of Gallegos Canyon Unit well numbers 260 and 225. These wells also will be perforated in the Mesa Verde for disposal after drilling out the cement plugs.

Well number 126, a shut-in Gallup well, will also be used for water disposal in the Mesa Verde after squeezing and plugging the Gallup perfs.

We respectfully request your approval of our Revised 1980 Plan of Development and the 1979 Review of Operations. Please notify both Amoco and Energy Reserves Group as to your decision.

Very truly yours,



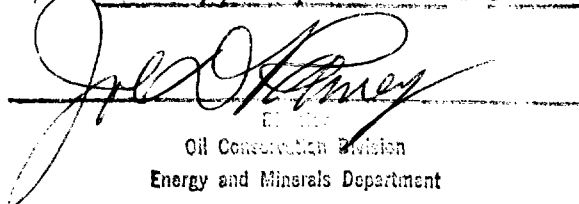
Amoco Production Company

cc: Energy Reserves Group, Inc.
Attn: Susan J. Alfson

Approved

9/24

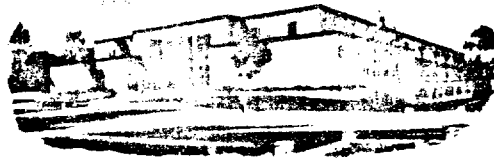
10 80



Oil Conservation Division
Energy and Minerals Department

State of New Mexico

247



Commissioner of Public Lands

September 9, 1980

ALEX J. ARMIJO
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO

Amoco Production Company
Amoco Building
17th & Broadway
Denver, Colorado 80202

Re: Revised Plan of Development-1980
Gallegos Canyon Pictured Cliffs Unit
San Juan County, New Mexico

ATTENTION: Mr. G. J. Ross

Gentlemen:

The Commissioner of Public Lands has this date approved your Revised Plan of Development for 1980 for the Gallegos Canyon Pictured Cliffs Unit, San Juan County, New Mexico. Our approval is subject to like approval by the United States Geological Survey and the New Mexico Oil Conservation Division.

Enclosed is one approved copy for your files.

Please remit a Three (\$3.00) Dollar filing fee.

Very truly yours,

ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

BY:

RAY D. GRAHAM, Director
Oil and Gas Division

AJA/RDG/s
encls.
cc:

OCD-Santa Fe, New Mexico ✓
USGS-Roswell, New Mexico
USGS-Albuquerque, New Mexico

Energy Reserves Group, Inc.
601 Jefferson-Suite 1900
Houston, Texas 77002



RECEIVED

SEP 2 9 43 AM '80

STATE LAND OFFICE
SANTA FE, N. M.

G. J. Ross
Division Operations
Superintendent

Amoco Production Company

Denver Region
Amoco Building
17th & Broadway
Denver, Colorado 80202
Western Division
303-830-4040

August 1, 1980

J. W. Sutherland (5)
Area Oil and Gas Supervisor
U.S.G.S.
P. O. Box 26124
Albuquerque, NM 87125

Commissioner of Public Lands (3)
State of New Mexico
Attn: Mr. Roy D. Graham
P. O. Box 1148
Santa Fe, NM 87501

Oil Conservation Commission (3)
State of New Mexico
Attn: Mr. Joe Ramey
P. O. Box 2088
Santa Fe, NM 87501

Office of District Engineer
United States Geological Survey
Attn: Mr. Jim Sims
P. O. Box 959
Petroleum Club Plaza Bldg.
Farmington, NM 87401

File: DFK-744-416

RE: Revised Plan of Development - 1980
Gallegos Canyon Pictured Cliffs Unit
San Juan County, New Mexico

Gentlemen:

Amoco Production Company, as operator of Gallegos Canyon Unit, on behalf of the suboperator of the Gallegos Canyon Pictured Cliffs Unit, Energy Reserves Group, Inc., proposes a plan of development for 1980 which provides for the drilling of five wells within the Pictured Cliffs participating area to be used for disposal of produced water from the Pictured Cliffs formation. It is proposed to drill through and complete in the Mesa Verde zone. Three of these wells will be new wells, the other two will be re-entry of previously plugged and abandoned wells (Unit Wells No. 260 and No. 225).

The proposed new well locations will be in the SW $\frac{1}{4}$ of Sec. 30-T29N-R12W, the SE $\frac{1}{4}$ of Sec. 19-T29N-R12W, and the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Sec. 33-T29N-R12W. Dual completions are planned for both wells utilizing the Pictured Cliffs for production and the Mesa Verde for disposal on the former and the Fruitland for production and the Mesa Verde for disposal on the latter two.

The following Pictured Cliff development wells are planned for the remainder of 1980:

RE :

SEP 2 3 43 PM '80

STATE OF NEW MEXICO
SANTA FE COUNTY

| <u>LOCATION</u> | | <u>PROPOSED DEPTH</u> |
|--|------------|-----------------------|
| SW $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ | 7-28N-12W | 1610' |
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| NW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ | 9-28N-12W | 1530' |
| NE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ | 14-28N-12W | 1590' |
| SW $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$ | 16-28N-12W | 1620' |
| NE $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ | 16-28N-12W | 1570' |
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| SW $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ | 31-29N-12W | 1600' |
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| NW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ | 36-29N-13W | 1650' |
| SE $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ | 36-29N-13W | 1510' |

Operations during 1979 in the Gallegos Canyon Pictured Cliffs Unit involved the following wells:

| | |
|--|----|
| Drilled and Completed waiting on pipeline..... | 17 |
| Drilled and not completed..... | 7 |
| Producing..... | 60 |
| Shut-in..... | 11 |

Total cumulative and most recent production for the Gallegos Canyon Pictured Cliffs Unit are tabulated as follows:

| | |
|--------------------------|--------------|
| Cumulative (1/1/80)..... | 48.9 BCF |
| Production (1/79)..... | 137 MMCF/Mo. |

Discussion

The Gallegos Canyon Pictured Cliffs Unit has produced significant quantities of gas since its discovery and has been able to maintain a high rate of production over the past several years. Energy Reserves Group, Inc., the sub-operator of the unit, proposes to drill the new wells listed earlier, to provide a solution to handling part of the increased water production and also plans

RECEIVED

SEP 2 9 43 AM '80

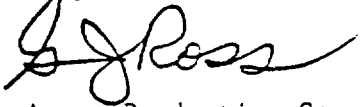
STATE LAND OFFICE
SANTA FE, N. M.

to re-enter the plugged and abandoned wellbores of Gallegos Canyon Unit well numbers 260 and 225. These wells also will be perforated in the Mesa Verde for disposal after drilling out the cement plugs.

Well number 126, a shut-in Gallup well, will also be used for water disposal in the Mesa Verde after squeezing and plugging the Gallup perfs.

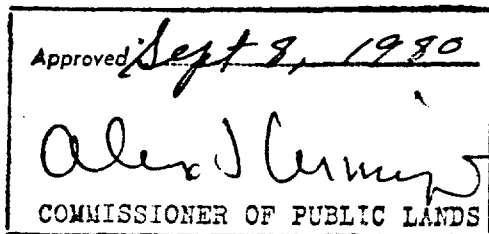
We respectfully request your approval of our Revised 1980 Plan of Development and the 1979 Review of Operations. Please notify both Amoco and Energy Reserves Group as to your decision.

Very truly yours,



Amoco Production Company

cc: Energy Reserves Group, Inc.
Attn: Susan J. Alfson





United States Department of the Interior

GEOLOGICAL SURVEY

South Central Region

P. O. Box 26124

Albuquerque, New Mexico 87125

APR 16 1980

247

Amoco Production Company
Attention: G. J. Ross
Security Life Building
Denver, Colorado 80202

Gentlemen:

On this date, your 1980 plan of development and operation for the Gallegos Canyon unit area, San Juan County, New Mexico, wherein you propose to drill a Pictured Cliffs-Mesaverde well and a Fruitland-Mesaverde well, was approved. Such approval is subject to like approval by the appropriate State officials. Two approved copies are enclosed.

Sincerely yours,

(ORIG. SGD.) JACK WILLOCK

Jack Willock
Acting Deputy Conservation Manager
Oil and Gas

Enclosures 2

cc:
BIA, Navajo Area (w/enclosure)
NMOCD, Santa Fe
Comm. Public Lands, Santa Fe



ONE HUNDRED YEARS OF EARTH SCIENCE IN THE PUBLIC SERVICE

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

April 2, 1980

Amoco Production Company
Security Life Building
Denver, Colorado 80202

Attention: G. J. Ross

Re: Case No. 247
Gallegos Canyon Unit
1980 Plan of Development

Gentlemen:

We hereby approve the 1980 Plan of Development for the Gallegos Canyon Unit, San Juan County, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands.

Two approved copies of the Plan of Development are returned herewith.

Yours very truly,

JOE D. RAMEY
Director

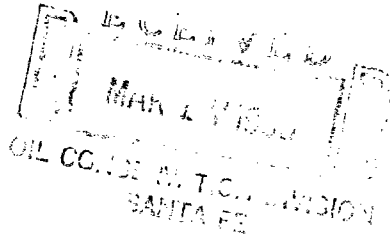
JDR/EP/fd
enc.

cc: U.S.G.S. - Roswell
Commissioner of Public Lands
Energy Reserves Group, Inc.

C
O
P
Y



G. J. Ross
Division Operations
Superintendent



Amoco Production Company

Denver Region
Security Life Building
Denver, Colorado 80202
Western Division
303-820-4040

207

3 March 1980

J. W. Sutherland (5)
Area Oil and Gas Supervisor
U.S.G.S.
P.O. Box 26124
Albuquerque, NM 87125

Commissioner of Public Lands (3)
State of New Mexico
Attn: Mr. Roy D. Graham
P.O. Box 1148
Santa Fe, NM 87501

Oil Conservation Commission (3)
State of New Mexico
Attn: Mr. Joe Ramey
P.O. Box 2088
Santa Fe, NM 87501

Office of District Engineer
United States Geological Survey
Attn: Mr. Jim Sims
P.O. Box 959
Petroleum Club Plaza Bldg
Farmington, NM 87401

File: WDF-282-416

Re: Plan of Development - 1980
Review of Operation - 1979
Gallegos Canyon Pictured Cliffs Unit
San Juan County, New Mexico

2 for
approved
1/18/80
JH

Gentlemen:

Amoco Production Company, as operator of Gallegos Canyon Unit, on behalf of the suboperator of the Gallegos Canyon Pictured Cliffs Unit, Engergy Reserves Group, Inc., proposes a plan of development for 1980 which provides for the drilling of four wells within the Pictured Cliffs participating area to be used for disposal of produced water from the Pictured Cliffs formation. It is proposed to drill through and complete in the Mesa Verde zone. Two of these wells will be new wells, the other two will be re-entry of previously plugged and abandoned wells (Unit Wells No. 260 and No. 225).

The proposed new well locations will be in the SW $\frac{1}{4}$ of Sec. 30-T29N-R12W and the SE $\frac{1}{4}$ of Sec. 19-T29N-R12W. Dual completions are planned for both wells utilizing the Pictured Cliffs for production and the Mesa Verde for disposal on the former and the Fruitland for production and the Mesa Verde for disposal on the latter. No further Pictured Cliffs development is planned at this time.

Page 2

3 March 1980

J.W. Sutherland,
Commissioner of Public Lands, NM,
Oil Conservation Commission,
Office of District Engineer

Operations during 1979 in the Gallegos Canyon Pictured Cliffs Unit involved the following wells:

| | |
|--|----|
| Drilled and Completed waiting on pipeline..... | 17 |
| Drilled and not completed..... | 7 |
| Producing..... | 60 |
| Shut-in..... | 11 |

Total cumulative and most recent production for the Gallegos Canyon Pictured Cliffs Unit are tabulated as follows:

| | |
|--------------------------|--------------|
| Cumulative (1/1/80)..... | 48.9BCF |
| Production (1/79)..... | 137 MMCF/Mo. |

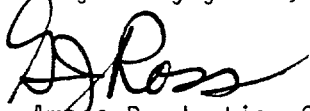
Discussion

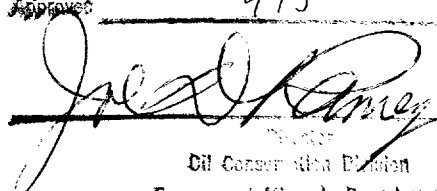
The Gallegos Canyon Pictured Cliffs Unit has produced significant quantities of gas since its discovery and has been able to maintain a high rate of production over the past several years. Energy Reserves Group, Inc., the suboperator of the unit, proposes to drill the new wells listed earlier, to provide a solution to handling part of the increased water production and also plans to re-enter the plugged and abandoned wellbores of Gallegos Canyon Unit well numbers 260 and 225. These wells also will be perforated in the Mesa Verde for disposal after drilling out the cement plugs.

Well number 126, a shut-in Gallup well, will also be used for water disposal in the Mesa Verde after squeezing and plugging the Gallup perfs.

We respectfully request your approval of our 1980 Plan of Development and the 1979 Review of Operations. (Please notify both Amoco and Energy Reserves Group as to your decision.)

Very truly yours,


Amoco Production Company

Approved: 4/3 1980

Director
Oil Conservation Division
Energy and Minerals Department

cc: Energy Reserves Group, Inc.
Attn: D.E. Butler

State of New Mexico



Commissioner of Public Lands

March 20, 1980

ALEX J. ARMIJO
COMMISSIONER

P. O. BOX 1143
SANTA FE, NEW MEXICO 87501

Amoco Production Company
Security Life Building
Denver, Colorado 80202

247

Re: Plan of Development - 1980
Review of Operation - 1979
Gallegos Canyon Pictured Cliffs Unit
San Juan County, New Mexico

ATTENTION: Mr. G. J. Ross

Gentlemen:

The Commissioner of Public Lands has this date approved your 1980 Plan of Development and the 1979 Review of Operations to the Gallegos Canyon PICTURED CLIFFS unit, San Juan County, New Mexico. Such plan provides for the drilling of four wells within the Pictured Cliffs participating area to be used for disposal of produced water from the Pictured Cliffs formation, and is proposed to drill through and complete in the Mesa Verde zone. Two wells will be new wells and two will be re-entry of previously plugged and abandoned wells (Unit Wells No. 260 and No. 225. Well No. 126, will also be used for water disposal in the Mesa Verde after squeezing and plugging the Gallup perfs. Our approval is subject to like approval by the United States Geological Survey and the New Mexico Oil Conservation Division.

Enclosed is one approved copy of the plan.

Please remit a Three (\$3.00) Dollar filing fee.

Very truly yours,

ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

BY:
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505-827-2748

AJA/RDG/s

encls.

cc:

OCD-Santa Fe, New Mexico
USGS-Roswell, New Mexico
USGS-Albuquerque, New Mexico

Copy of plan



G. J. Ross
Division Operations
Superintendent

RECEIVED

MAR 17 10 40 AM '80

STATE LAND OFFICE
SANTA FE, N.M.

Amoco Production Company

Denver Region
Security Life Building
Denver, Colorado 80202
Western Division
303-820-4040

3 March 1980

J. W. Sutherland (5)
Area Oil and Gas Supervisor
U.S.G.S.
P.O. Box 26124
Albuquerque, NM 87125

Oil Conservation Commission (3)
State of New Mexico
Attn: Mr. Joe Ramey
P.O. Box 2088
Santa Fe, NM 87501

File: WDF-282-416

Commissioner of Public Lands (3)
State of New Mexico
Attn: Mr. Roy D. Graham
P.O. Box 1148
Santa Fe, NM 87501

Office of District Engineer
United States Geological Survey
Attn: Mr. Jim Sims
P.O. Box 959
Petroleum Club Plaza Bldg
Farmington, NM 87401

Re: Plan of Development - 1980
Review of Operation - 1979
Gallegos Canyon Pictured Cliffs Unit
San Juan County, New Mexico

Gentlemen:

Amoco Production Company, as operator of Gallegos Canyon Unit, on behalf of the suboperator of the Gallegos Canyon Pictured Cliffs Unit, Engergy Reserves Group, Inc., proposes a plan of development for 1980 which provides for the drilling of four wells within the Pictured Cliffs participating area to be used for disposal of produced water from the Pictured Cliffs formation. It is proposed to drill through and complete in the Mesa Verde zone. Two of these wells will be new wells, the other two will be re-entry of previously plugged and abandoned wells (Unit Wells No. 260 and No. 225) — *SWD-219*

LSWD-220

The proposed new well locations will be in the SW $\frac{1}{4}$ of Sec. 30-T29N-R12W and the SE $\frac{1}{4}$ of Sec. 19-T29N-R12W. Dual completions are planned for both wells utilizing the Pictured Cliffs for production and the Mesa Verde for disposal on the former and the Fruitland for production and the Mesa Verde for disposal on the latter. No further Pictured Cliffs development is planned at this time.

Page 2

3 March 1980

J.W. Sutherland,
Commissioner of Public Lands, NM,
Oil Conservation Commission,
Office of District Engineer

Operations during 1979 in the Gallegos Canyon Pictured Cliffs Unit involved the following wells:

| | |
|--|----|
| Drilled and Completed waiting on pipeline..... | 17 |
| Drilled and not completed..... | 7 |
| Producing..... | 60 |
| Shut-in..... | 11 |

Total cumulative and most recent production for the Gallegos Canyon Pictured Cliffs Unit are tabulated as follows:

| | |
|--------------------------|--------------|
| Cumulative (1/1/80)..... | 48.9BCF |
| Production (1/79)..... | 137 MMCF/Mo. |

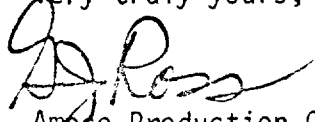
Discussion

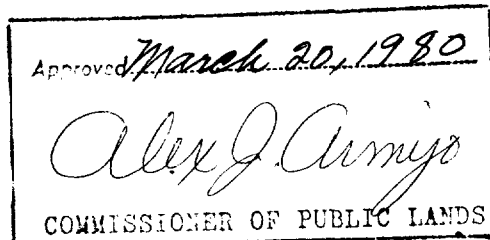
The Gallegos Canyon Pictured Cliffs Unit has produced significant quantities of gas since its discovery and has been able to maintain a high rate of production over the past several years. Energy Reserves Group, Inc., the suboperator of the unit, proposes to drill the new wells listed earlier, to provide a solution to handling part of the increased water production and also plans to re-enter the plugged and abandoned wellbores of Gallegos Canyon Unit well numbers 260 and 225. These wells also will be perforated in the Mesa Verde for disposal after drilling out the cement plugs.

^{SWD-218}
Well number 126, a shut-in Gallup well, will also be used for water disposal in the Mesa Verde after squeezing and plugging the Gallup perfs.

We respectfully request your approval of our 1980 Plan of Development and the 1979 Review of Operations. Please notify both Amoco and Energy Reserves Group as to your decision.

Very truly yours,


Amoco Production Company



cc: Energy Reserves Group, Inc.
Attn: D.E. Butler



United States Department of the Interior

GEOLOGICAL SURVEY
P. O. Box 26124
Albuquerque, New Mexico 87125

MAR 03 1980

Amoco Production Company
Security Life Building
Denver, Colorado 80202

247

Gentlemen:

Three approved copies of your 1980 amended plan of development for the Gallegos Canyon unit area, San Juan County, New Mexico, are enclosed. Such plan, proposing to drill two additional wells in 1980, was approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

Sincerely yours,

(ORIG. SGD.) JACK WILLOCK

for James W. Sutherland
Oil and Gas Supervisor, SRMA

Enclosures 3

cc:
NMOCD, Santa Fe/
Comm. Public Lands, Santa Fe

RECEIVED
MAR 3 1980
CLCC



ONE HUNDRED YEARS OF EARTH SCIENCE IN THE PUBLIC SERVICE

State of New Mexico



ALEX J. ARMIJO
COMMISSIONER



Commissioner of Public Lands

January 21, 1980

P. O. BOX 1148
SANTA FE, NEW MEXICO 87501

Amoco Production Company
Security Life Building
Denver, Colorado 80202

247
Re: 1st Supplement-1980 Plan of Development
and Operation-Gallegos Canyon Unit
Dakota Formation
San Juan County, New Mexico

ATTENTION: Mr. G. J. Ross

Gentlemen:

The Commissioner of Public Lands has this date approved the 1st Supplement-1980 Plan of Development and Operation for the Gallegos Canyon Unit- Dakota Formation, San Juan County, New Mexico. We have also approved the revised locations for wells No. 106E and 111E. Our approval is subject to like approval by the United States Geological Survey and the New Mexico Oil Conservation Division.

Enclosed is one approved copy for your files. In the future please submit Three copies to this office.

Please remit a Three (\$3.00) Dollar filing fee.

Very truly yours,

ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

BY:
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505-827-2748

AJA/RDG/s
encl.
cc:

OCD-Santa Fe, New Mexico ✓
USGS-Roswell, New Mexico
USGS-Albuquerque, New Mexico

RECEIVED

JAN 24 1980

Oil Conservation



RECEIVED
JAN 17 9 20 AM '80
STATE LAND OFFICE
SANTA FE, N.M.

Amoco Production Company

Denver Region
Security Life Building
Denver, Colorado 80202
303-820-4040

January 9, 1980

Mr. Curtis J. Little (5)
Area Oil and Gas Supervisor
United States Geological Survey
P. O. Box 2487
Farmington, NM 87401

Commissioner of Public Lands (1)
State of New Mexico
P. O. Box 1148
Santa Fe, NM 87501

New Mexico Oil Conservation Division (1)
State of New Mexico
Box 2088
Santa Fe, NM 87501

Working Interest Owners
(See Attached List)

File: WDF-17-416

Gentlemen:

1st Supplement - 1980 Plan of Development and Operation
Gallegos Canyon Unit - Dakota Formation
San Juan County, New Mexico

Our original 1980 Plan of Development and Operation for
the above referenced unit was approved by your office on
December 12, 1979.

We would like to add the wells listed below to our original
Plan of Development and we submit this 1st Supplement to
our original Plan of Development for your consideration
and approval.

| <u>Well No.</u> | <u>Location</u> | <u>Depth</u> |
|-------------------------------|------------------------|--------------|
| Gallegos Canyon Unit No. 143E | SW/4 Sec. 25-T29N-R12W | 6500' |
| Gallegos Canyon Unit No. 179E | SE/4 Sec. 26-T29N-R12W | 6500' |

In addition to the above 1st Supplement to our 1980 Plan
of Development, the following wells approved on our original
1980 Plan of Development require location revisions as indi-
cated below. We request that your approval of this 1st
Supplement to our 1980 Plan of Development also be our approval
for the location changes.

Mr. Curtis J. Little, et al.,
January 9, 1980
Page Two

| <u>Well No.</u> | <u>Location</u> | <u>Depth</u> |
|-------------------------------|---------------------------------|--------------|
| Gallegos Canyon Unit No. 106E | From: SE/4 Sec. 24-T29N-R13W | 6200' |
| | To: NW/4 Sec. 24-T29N-R13W | |
| Gallegos Canyon Unit No. 111E | From: SW/4 Sec. 20-T29N-R13W | 6350' |
| | To: NW/4 Sec. 20-T29N-R13W | |

Very truly yours,

HLM:jl

BJX633

MAILING LIST OF WORKING INTEREST OWNERS
GALLEGOS CANYON UNIT AREA
SAN JUAN COUNTY, NEW MEXICO

American Petrofina Co. of Texas
P. O. Box 2159
Dallas, Texas 75221
Attention: Mr. Elmer T. Ireton
Production Department

Atlantic Richfield Company
Outside Operating Unit
Box 2819
Dallas, Texas 75221

Southland Royalty Co.
Suite 1000
410 17th Street
Denver, Colorado 80202

Brookhaven Oil Company
P. O. Box 1267
Scottsdale, Arizona 85252

Featherstone Farms Ltd.
1717 West Second Street
Roswell, New Mexico 88201

A. C. Pegg
P. O. Box 66067
Chicago, Illinois 66066

E. I. Rydin
P. O. Box 66067
Chicago, Illinois 66066

L. B. Hodges
P. O. Box 489
Roswell, New Mexico 88201

Elma R. Jones and Maryan Klinger
Joint Tenants
242 E. Downs
Stockton, California 95204

National Drilling Company, Inc.
4810 North Kenneth Avenue
Chicago, Illinois 60630

Mary Roberts Berry
1111 South Nevada Street
Carson City, Nevada 89701

Getty Oil Company
1515 Arapahoe, Suite 700
Tower 3
Denver, Colorado 80202

Texaco, Inc.
P. O. Box 2100
Denver, Colorado 80202

Texas Pacific Oil Company, Inc.
1700 One Main Place
Dallas, Texas 75250
Attention: Mr. L. B. Jeffers

Wood Oil Company
320 South Boston, Suite 518
Tulsa, Oklahoma 74103

Supron Energy Corporation
Building V Fifth Floor
10300 North Central Expressway
Dallas, Texas 75231

Texon Energy Corporation
A/W A. W. Dugan
1212 Main Street, Suite 1400
Houston, Texas 77002

Mesa Petroleum Company
P.O. Box 2009
Amarillo, Texas 79189

Sun Gas Company
P. O. Box 20
Dallas, Texas 75221
Attention: Manager,
Unitization and
Joint Operations

Patricia Kalvestrand
115 Conifer Lane
Walnut Creek, California 94598

Nicole Huve Trust
c/o First National Bank Trustee
Trust Department
P. O. Box 1331
Amarillo, Texas 79180



247

Amoco Production Company

Denver Region
Security Life Building
Denver, Colorado 80202
303-820-4040

January 9, 1980

Mr. Curtis J. Little (5)
Area Oil and Gas Supervisor
United States Geological Survey
P. O. Box 2487
Farmington, NM 87401

Commissioner of Public Lands (1)
State of New Mexico
P. O. Box 1148
Santa Fe, NM 87501

New Mexico Oil Conservation Division (1)
State of New Mexico
Box 2088
Santa Fe, NM 87501

Working Interest Owners
(See Attached List)

File: WDF-17-416

Gentlemen:

1st Supplement - 1980 Plan of Development and Operation
Gallegos Canyon Unit - Dakota Formation
San Juan County, New Mexico

Our original 1980 Plan of Development and Operation for the above referenced unit was approved by your office on December 12, 1979.

We would like to add the wells listed below to our original Plan of Development and we submit this 1st Supplement to our original Plan of Development for your consideration and approval.

| <u>Well No.</u> | <u>Location</u> | <u>Depth</u> |
|-------------------------------|------------------------|--------------|
| Gallegos Canyon Unit No. 143E | SW/4 Sec. 25-T29N-R12W | 6500' |
| Gallegos Canyon Unit No. 179E | SE/4 Sec. 26-T29N-R12W | 6500' |

In addition to the above 1st Supplement to our 1980 Plan of Development, the following wells approved on our original 1980 Plan of Development require location revisions as indicated below. We request that your approval of this 1st Supplement to our 1980 Plan of Development also be our approval for the location changes.

Mr. Curtis J. Little, et al.,
January 9, 1980
Page Two

| <u>Well No.</u> | <u>Location</u> | <u>Depth</u> |
|-------------------------------|---------------------------------|--------------|
| Gallegos Canyon Unit No. 106E | From: SE/4 Sec. 24-T29N-R13W | 6200' |
| | To: NW/4 Sec. 24-T29N-R13W | |
| Gallegos Canyon Unit No. 111E | From: SW/4 Sec. 20-T29N-R13W | 6350' |
| | To: NW/4 Sec. 20-T29N-R13W | |

Very truly yours,

HLM:jl

BJX633

MAILING LIST OF WORKING INTEREST OWNERS
GALLEGOS CANYON UNIT AREA
SAN JUAN COUNTY, NEW MEXICO

American Petrofina Co. of Texas
P. O. Box 2159
Dallas, Texas 75221
Attention: Mr. Elmer T. Ireton
Production Department

Atlantic Richfield Company
Outside Operating Unit
Box 2819
Dallas, Texas 75221

Southland Royalty Co.
Suite 1000
410 17th Street
Denver, Colorado 80202

Brookhaven Oil Company
P. O. Box 1267
Scottsdale, Arizona 85252

Featherstone Farms Ltd.
1717 West Second Street
Roswell, New Mexico 88201

A. C. Pegg
P. O. Box 66067
Chicago, Illinois 66066

E. I. Rydin
P. O. Box 66067
Chicago, Illinois 66066

L. B. Hodges
P. O. Box 489
Roswell, New Mexico 88201

Elma R. Jones and Maryan Klinger
Joint Tenants
242 E. Downs
Stockton, California 95204

National Drilling Company, Inc.
4810 North Kenneth Avenue
Chicago, Illinois 60630

Mary Roberts Berry
1111 South Nevada Street
Carson City, Nevada 89701

Getty Oil Company
1515 Arapahoe, Suite 700
Tower 3
Denver, Colorado 80202

Texaco, Inc.
P. O. Box 2100
Denver, Colorado 80202

Texas Pacific Oil Company, Inc.
1700 One Main Place
Dallas, Texas 75250
Attention: Mr. L. B. Jeffers

Wood Oil Company
320 South Boston, Suite 518
Tulsa, Oklahoma 74103

Supron Energy Corporation
Building V Fifth Floor
10300 North Central Expressway
Dallas, Texas 75231

Texon Energy Corporation
A/W A. W. Dugan
1212 Main Street, Suite 1400
Houston, Texas 77002

Mesa Petroleum Company
P.O. Box 2009
Amarillo, Texas 79189

Sun Gas Company
P. O. Box 20
Dallas, Texas 75221
Attention: Manager,
Unitization and
Joint Operations

Patricia Kalvestrand
115 Conifer Lane
Walnut Creek, California 94598

Nicole Huve Trust
c/o First National Bank Trustee
Trust Department
P. O. Box 1331
Amarillo, Texas 79180

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

January 7, 1980

Amoco Production Company
Security Life Building
Denver, Colorado 80202

Attention: G. J. Ross

Re: Case No. 247
Gallegos Canyon Unit
1979 Amended Plan of
Development

Gentlemen:

We hereby approve the 1979 Amended Plan of Development for the Gallegos Canyon Unit, San Juan County, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands.

Two approved copies of the Amended Plan are returned herewith.

Yours very truly,

JOE D. RAMEY
Director

JDR/EP/fd
enc.

cc: U.S.G.S. - Roswell
Commissioner of Public Lands
Energy Reserves Group, Inc.

C
O
P
Y



G. J. Ross
Division Operations
Superintendent

Amoco Production Company

Denver Region
Security Life Building
Denver, Colorado 80202
Western Division
303-820-4040

29 November 1979

O/C
for approval
11/4/80
S/P

247

J. W. Sutherland (5)
Area Oil and Gas Supervisor
United States Geological Survey
P. O. Box 26124
Albuquerque, NM 87125

Commissioner of Public Lands (3)
State of New Mexico
Attn: Mr. Roy D. Graham
P. O. Box 1148
Santa Fe, NM 87501

Oil Conservation Commission (3)
State of New Mexico
Attn: Mr. Joe Ramey
P. O. Box 2038
Santa Fe, NM 87501

Office of District Engineer
United States Geological Survey
Attn: Mr. Jim Sims
P. O. Box 959
Petroleum Club Plaza Building
Farmington, NM 87401

File: WDF-757-416

Re: Approval Requested For Revised
Plan of Development -- 1979
Gallegos Canyon Pictured Cliffs Unit
San Juan County, New Mexico

Gentlemen:

Reference is made to Amoco Production Company's original 1979 Plan of Development Letter dated April 19, 1979, relative to the captioned unit, and subsequently approved by your respective offices. All twelve (12) of the wells originally proposed and approved (wells numbered 277 through 288) have now been drilled and completed.

Because of rig availability, Energy Reserves Group, Inc., suboperator of the Pictured Cliffs Unit, has now proposed drilling seventeen (17) additional wells within the PC Participating Area during the remainder of 1979 and/or early 1980. The location and projected total depth of each of these proposed additional wells is as follows:

| Well Number | Location | Depth |
|-------------|--|-------|
| 289 | S $\frac{1}{2}$ SW $\frac{1}{4}$ 8-T28N-R12W | 1725' |
| 290 | NW $\frac{1}{4}$ SE $\frac{1}{4}$ 15-T28N-R12W | 1670' |
| 291 | NW $\frac{1}{4}$ SE $\frac{1}{4}$ 23-T28N-R12W | 1800' |
| 292 | SE $\frac{1}{4}$ NW $\frac{1}{4}$ 30-T29N-R12W | 1400' |
| 293 | SW $\frac{1}{4}$ NW $\frac{1}{4}$ 32-T29N-R12W | 1620' |
| 294 | NW $\frac{1}{4}$ SE $\frac{1}{4}$ 32-T29N-R12W | 1600' |

RECEIVED
DEC 06 1979
OIL CONSERVATION DIVISION
SANTA FE

Page two

29 November 1979

J. W. Sutherland
Commissioner of Public Lands
Oil Conservation Commission
Office of District Engineer

| <u>Well Number</u> | <u>Location</u> | <u>Depth</u> |
|--------------------|--|--------------|
| 295 | SW $\frac{1}{4}$ SW $\frac{1}{4}$ 17-T28N-R12W | 1600' |
| 296 | SW $\frac{1}{4}$ SW $\frac{1}{4}$ 15-T28N-R12W | 1650' |
| 297 | NW $\frac{1}{4}$ NE $\frac{1}{4}$ 15-T28N-R12W | 1650' |
| 298 | NE $\frac{1}{4}$ NW $\frac{1}{4}$ 24-T28N-R12W | 1800' |
| 299 | NW $\frac{1}{4}$ NW $\frac{1}{4}$ 31-T28N-R12W | 1850' |
| 300 | NE $\frac{1}{4}$ SE $\frac{1}{4}$ 19-T29N-R12W | 1600' |
| 301 | NE $\frac{1}{4}$ SE $\frac{1}{4}$ 20-T29N-R12W | 1700' |
| 302 | SW $\frac{1}{4}$ SE $\frac{1}{4}$ 29-T29N-R12W | 1600' |
| 303 | SE $\frac{1}{4}$ NW $\frac{1}{4}$ 33-T29N-R12W | 1600' |
| 304 | SE $\frac{1}{4}$ SW $\frac{1}{4}$ 24-T29N-R13W | 1550' |
| 305 | SW $\frac{1}{4}$ SE $\frac{1}{4}$ 36-T29N-R13W | 1650' |

Amoco, as Gallegos Canyon Unit Operator, respectfully requests your approval of the drilling of these additional wells by Energy Reserves Group, Inc. and this letter as a revision of the original Plan of Development submitted for 1979.

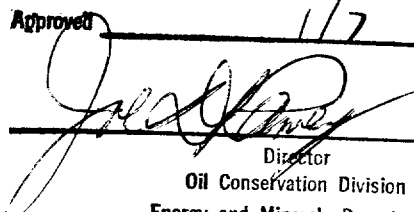
Because of the time factor involved in scheduling and permitting, we would appreciate your early consideration of this request. Please notify both Amoco and Energy Reserves Group as to your decision. Our thanks for your continued courtesy and assistance in this matter.

Very truly yours,


G. J. Ross

HLM/jdb

cc: Energy Reserves Group, Inc.
Attn: Mr. D. E. Butler

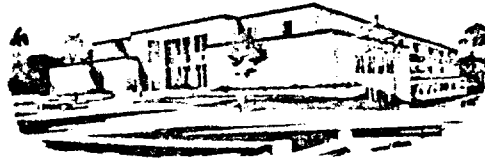
Approved 117 19 80

Director
Oil Conservation Division
Energy and Minerals Department

THIS APPROVAL GRANTED SUBJECT TO LIKE APPROVAL
BEING GRANTED BY THE UNITED STATES GEOLOGICAL
SURVEY AND BY THE COMMISSIONER OF PUBLIC LANDS
OF THE STATE OF NEW MEXICO.

State of New Mexico



ALEX J. ARMIJO
COMMISSIONER



Commissioner of Public Lands

December 28, 1979

P. O. BOX 1148
SANTA FE, NEW MEXICO 87501

Amoco Production Company
Security Life Building
Denver, Colorado 80202

247

Re: Approval Requested For Revised
Plan of Development- 1979
Gallegos Canyon Pictured Cliffs Unit
San Juan County, New Mexico

ATTENTION: Mr. G. J. Ross

Gentlemen:

The Commissioner of Public Lands has this date approved your Revised Plan of Development for the year 1979, for the Gallegos Canyon Pictured Cliffs Unit San Juan County, New Mexico. Such Revised Plan calls for the drilling of seventeen (17) additional wells within the PC Participating Area during the remainder of 1979 and/or 1980. Our approval is subject to like approval by the United States Geological Survey and the New Mexico Oil Conservation Commission.

Enclosed is one approved copy for your files.

Please remit a Three (\$3.00) Dollar filing fee.

Very truly yours,

ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

BY:
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505-827-2748

AJA/RDG/s
encl.

cc: OCD-Santa Fe, New Mexico
USGS-Roswell, New Mexico
USGS-Albuquerque, New Mexico



United States Department of the Interior

GEOLOGICAL SURVEY

P. O. Box 26124
Albuquerque, New Mexico 87125

DEC 12 1979

247

Amoco Production Company
Attention: Mr. A. M. Roney
Security Life Building
Denver, Colorado 80202

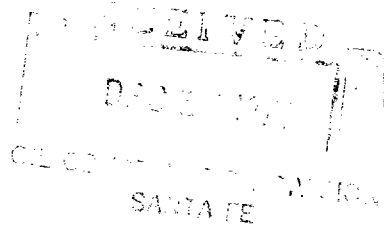
Gentlemen:

The 1980 plan of development submitted for the Gallegos Canyon unit area, San Juan County, New Mexico, was approved on this date subject to like approval by the appropriate State officials.

Such plan proposes the drilling of 48 Dakota wells.

Three approved copies are enclosed.

Sincerely yours,



(ORIG. SGD.) JAMES W. SUTHERLAND

James W. Sutherland
Oil and Gas Supervisor, SRMA

Enclosures 3

cc:
NMOC, Santa Fe
Comm. Public Lands, Santa Fe



United States Department of the Interior

GEOLOGICAL SURVEY

P. O. Box 26124
Albuquerque, New Mexico 87125

DEC 12 1979

247

Amoco Production Company
Attention: G. J. Ross
Security Life Building
Denver, Colorado 80202

Gentlemen:

Three approved copies of your 1979 revised plan of development for the Gallegos Canyon unit area, San Juan County, New Mexico, are enclosed. Such plan, proposing the drilling of 17 additional Pictured Cliffs wells, was approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

Sincerely yours,

(ORIG. SGD.) JAMES W. SUTHERLAND

James W. Sutherland
Oil and Gas Supervisor, SRMA

Enclosures 3

cc:
NMOCD, Santa Fe
Comm. Public Lands, Santa Fe



United States Department of the Interior

GEOLOGICAL SURVEY

P. O. Box 26124
Albuquerque, New Mexico 87125

DEC 12 1979

247

Amoco Production Company
Attention: G. J. Ross
Security Life Building
Denver, Colorado 80202

Gentlemen:

Three approved copies of your 1979 revised plan of development for the Gallegos Canyon unit area, San Juan County, New Mexico, are enclosed. Such plan, proposing the drilling of 17 additional Pictured Cliffs wells, was approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

Sincerely yours,

(ORIG. SGD.) JAMES W. SUTHERLAND

James W. Sutherland
Oil and Gas Supervisor, SRMA

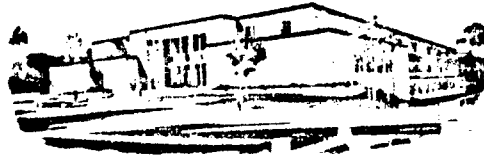
Enclosures 3

cc:
NMOCB, Santa Fe /
Comm. Public Lands, Santa Fe

State of New Mexico



ALEX J. ARMIJO
COMMISSIONER



Commissioner of Public Lands

November 14, 1979

OIL CONSERVATION DIVISION
SANTA FE

P. O. BOX 1148
SANTA FE, NEW MEXICO 87501

Amoco Production Company
Security Life Building
Denver, Colorado 80202

247

Re: 1980 Plan of Development and Operations
Gallegos Canyon Unit-Dakota Formation
San Juan County, New Mexico

ATTENTION: Mr. A. M. Roney

Gentlemen:

The Commissioner of Public Lands has this date approved your 1980 Plan of Development and Operation for the Gallegos Canyon Unit, Dakota Formation, San Juan County, New Mexico. Such plan calls for the drilling of 48 Basin Dakota infill wells. Our approval is subject to like approval by the United States Geological Survey and the New Mexico Oil Conservation Commission.

Enclosed is one approved copy for your files.

Please remit a Three (\$3.00) Dollar filing fee.

Very truly yours,

ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

BY:
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505-827-2748

AJA/RDG/s
encl.
cc:

OCD-Santa Fe, New Mexico ✓
USGS-Roswell, New Mexico
USGS-Albuquerque, New Mexico

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

November 13, 1979

Amoco Production Company
Security Life Building
Denver, Colorado 80202

Attention: A. M. Roney

Re: Case No. 247
Gallegos Canyon Unit
1980 Plan of Development

Gentlemen:

We hereby approve the 1980 Plan of Development for the Gallegos Canyon Unit, San Juan County, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands.

One approved copy of the Plan of Development is returned herewith.

Yours very truly,

JOE D. RAMEY
Director

JDR/EP/fd
enc.

cc: U.S.G.S. - Roswell
Commissioner of Public Lands

C
O
P
Y



A. M. Roney
Division Production
Manager

Amoco Production Company

Denver Region
Security Life Building
Denver, Colorado 80202
Western Division
303-820-4040

October 26, 1979

Mr. Curtis J. Little (5)
Area Oil & Gas Supervisor
United States Geological Survey
P.O. Box 2487
Farmington, New Mexico 87401

Commissioner of Public Lands (1)
State of New Mexico
P.O. Box 1148
Santa Fe, New Mexico 87501

New Mexico Oil Conservation Division (1)
State of New Mexico
Box 2088
Santa Fe, New Mexico 87501

Working Interest Owners
(See Attached List)

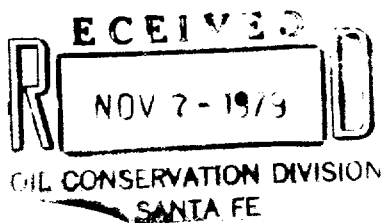
File: JLK-622-416

Dear Mr. Little:

1980 Plan of Development and Operation
Gallegos Canyon Unit - Dakota Formation
San Juan County, New Mexico

Amoco Production Company, Unit Operator of the Gallegos Canyon Unit,
submits for your consideration and approval the following Plan of
Development for the year 1980.

The Gallegos Canyon Unit was formed in November, 1950 for the development of the West Kutz Pictured Cliffs and Gallup Pools. The Dakota zone was later established to be productive in 1952. Since that time the Dakota participating area has been enlarged several times and presently contains 41,529 acres. The first Gallegos Canyon Unit Dakota well, the Gallegos Canyon Unit No. 8 was drilled in January, 1952 on a 320 acre well spacing. In 1961 13 additional Gallegos Canyon Unit Dakota wells were drilled. From 1963 through 1966, 119 Dakota wells were drilled, of which five were dry holes. No Basin Dakota drilling has occurred in the Gallegos Canyon Unit since December, 1970 when the Gallegos Canyon Unit No. 264 was drilled. This completion made a total of 128 producing wells. Average daily production for the Gallegos Canyon Unit Dakota was 25,200 MCFD or an average of 197 MCFD/well during the month of September, 1979.



OK
11/9/79
E/p
Case 247

Page 2
October 26, 1979
File: JLK-622-416

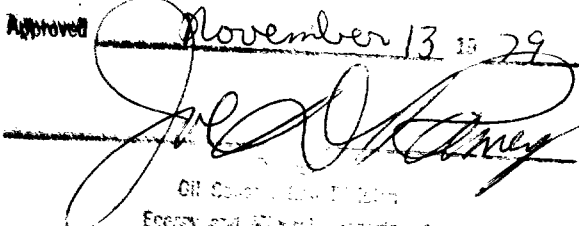
Future Plan of Operation

On May 22, 1979 the New Mexico Oil Conservation District approved the drilling of an additional well on each 320 acre spacing unit in the Basin Dakota Field (Order No. R-1670-V). For this reason, Amoco Production Company, as Unit Operator, hereby proposes the attached list of Basin Dakota infill wells for drilling in the Gallegos Canyon Unit in 1980. Your approval of this Plan of Development for 1980 is requested.

Yours very truly,

A.M. Roney
TDB/cem

Attachments

Approved November 13 1979

Oil Conservation District
Energy and Mineral Department

[Faint, illegible text]

[Faint, illegible text]

PROPOSED 1980 GALLEGOS CANYON UNIT DRILLING

| <u>Well No.</u> | <u>Location</u> | <u>Depth</u> |
|-------------------------------------|-----------------------------|--------------|
| Gallegos Canyon Unit #110E | SE/4 Section 19, T29N, R12W | 6090' |
| Gallegos Canyon Unit #263E | NE/4 Section 20, T29N, R12W | 6380' |
| Gallegos Canyon Unit #111E | SW/4 Section 20, T29N, R12W | 6350' |
| Gallegos Canyon Unit #134E | SE/4 Section 17, T29N, R12W | 6370' |
| Gallegos Canyon Unit #172E | SW/4 Section 25, T29N, R13W | 6090' |
| Gallegos Canyon Unit #188E | NE/4 Section 30, T29N, R12W | 6040' |
| Gallegos Canyon Unit #187E | SW/4 Section 30, T29N, R12W | 6100' |
| Gallegos Canyon Unit Gas Com 94E | NE/4 Section 23, T29N, R13W | 6010' |
| Gallegos Canyon Unit #96E | NE/4 Section 18, T29N, R12W | 6250' |
| Gallegos Canyon Unit #106E | SE/4 Section 24, T29N, R13W | |
| Gallegos Canyon Unit #108E | SW/4 Section 13, T29N, R13W | 6210' |
| Gallegos Canyon Unit #133E | NW/4 Section 17, T29N, R12W | 6370' |
| Gallegos Canyon Unit #204E | SE/4 Section 34, T28N, R12W | |
| Gallegos Canyon Unit #173E | NW/4 Section 29, T29N, R12W | 6130' |
| Gallegos Canyon Unit #200E | SE/4 Section 29, T29N, R12W | 6130' |
| Gallegos Canyon Unit #153E | NW/4 Section 28, T29N, R12W | 6140' |
| Gallegos Canyon Unit #154E | NW/4 Section 27, T29N, R12W | 6240' |
| Gallegos Canyon Unit #151E | NW/4 Section 21, T29N, R12W | 6340' |
| Gallegos Canyon Unit #152E | SE/4 Section 21, T29N, R12W | 6340' |
| Gallegos Canyon Unit #150E | SE/4 Section 22, T29N, R12W | 6350' |
| Gallegos Canyon Unit #145E | NW/4 Section 26, T29N, R12W | 6300' |
| Gallegos Canyon Unit #93E | SW/4 Section 36, T29N, R12W | 6360' |
| Gallegos Canyon Unit #169E | NE/4 Section 35, T29N, R12W | 6160' |
| Gallegos Canyon Unit #170E | NW/4 Section 35, T29N, R12W | 6160' |
| Gallegos Canyon Unit #199E | SW/4 Section 34, T29N, R12W | 6180' |
| Gallegos Canyon Unit #202E | NW/4 Section 33, T29N, R12W | 6140' |
| Gallegos Canyon Unit #195E | SE/4 Section 33, T29N, R12W | 6140' |
| Gallegos Canyon Unit #211E | NW/4 Section 32, T29N, R12W | 6320' |
| Gallegos Canyon Unit #221E | SE/4 Section 31, T29N, R12W | 6360' |
| Gallegos Canyon Unit #210E | NW/4 Section 31, T29N, R12W | 6360' |
| Gallegos Canyon Unit #203E | SE/4 Section 13, T28N, R12W | 6330' |
| Gallegos Canyon Unit #217E | NW/4 Section 13, T28N, R12W | 6300' |
| Gallegos Canyon Unit #207E | NW/4 Section 14, T28N, R12W | 6400' |
| Gallegos Canyon Unit #216E | SE/4 Section 14, T28N, R12W | 6510' |
| Gallegos Canyon Unit #218E | NW/4 Section 22, T28N, R12W | 6310' |
| Gallegos Canyon Unit #208E | SE/4 Section 15, T28N, R12W | 6300' |
| Gallegos Canyon Unit #196E | NW/4 Section 19, T28N, R12W | 6350' |
| Gallegos Canyon Unit #227E | NW/4 Section 20, T28N, R12W | 6150' |
| Gallegos Canyon Unit #229E | SE/4 Section 21, T28N, R12W | 6175' |
| Gallegos Canyon Unit #228E | NW/4 Section 21, T28N, R12W | 6200' |
| Gallegos Canyon Unit #219E | NW/4 Section 23, T28N, R12W | 6490' |
| Gallegos Canyon Unit #242E | SW/4 Section 24, T28N, R12W | 6550' |
| Gallegos Canyon Unit #243E | SE/4 Section 24, T28N, R12W | 6450' |
| Gallegos Canyon Unit #174E | NW/4 Section 28, T28N, R12W | 6240' |
| Gallegos Canyon Unit #184E | SE/4 Section 28, T28N, R12W | 6240' |
| Gallegos Canyon Unit #185E | NE/4 Section 33, T28N, R12W | 6245' |
| Gallegos Canyon Unit #186E | SW/4 Section 33, T28N, R12W | 6220' |
| Gallegos Canyon Unit #166E | NW/4 Section 34, T28N, R12W | 6360' |

MAILING LIST OF WORKING INTEREST OWNERS
GALLEGOS CANYON UNIT AREA
SAN JUAN COUNTY, NEW MEXICO

American Petrofina Co. of Texas
P. O. Box 2159
Dallas, Texas 75221
Attention: Mr. Elmer T. Ireton
Production Department

Atlantic Richfield Company
Outside Operating Unit
Box 2819
Dallas, Texas 75221

Southland Royalty Co.
Suite 1000
410 17th Street
Denver, Colorado 80202

Brookhaven Oil Company
P. O. Box 1267
Scottsdale, Arizona 85252

Featherstone Farms Ltd.
1717 West Second Street
Roswell, New Mexico 88201

A. C. Pegg
P. O. Box 66067
Chicago, Illinois 66066

E. I. Rydin
P. O. Box 66067
Chicago, Illinois 66066

L. B. Hodges
P. O. Box 489
Roswell, New Mexico 88201

Elma R. Jones
Plymouth Square, Apt. 405
1319 North Madison Street
Stockton, California 95202

Mr. Harold K. Johnson
1118 Laurel Drive
Lafayette, California 94549

National Drilling Company, Inc.
4810 North Kenneth Avenue
Chicago, Illinois 60630

Pubco Petroleum Corporation
P. O. Box 1419
Albuquerque, New Mexico 87103

Getty Oil Company
1515 Arapahoe, Suite 700
Tower 3
Denver, Colorado 80202

Southern Union Gas Company
First International Building
Suite 1800
Dallas, Texas 75270

Texaco, Inc.
P. O. Box 2100
Denver, Colorado 80202

Texas Pacific Oil Company, Inc.
1700 One Main Place
Dallas, Texas 75250
Attention: Mr. L. B. Jeffers

Wood Oil Company
320 South Boston, Suite 518
Tulsa, Oklahoma 74103

Supron Energy Corporation
Building V Fifth Floor
10300 North Central Expressway
Dallas, Texas 75231

Texon Energy Corporation
A/W A. W. Dugan
1212 Main Street, Suite 1400
Houston, Texas 77002

Mesa Petroleum Company
P.O. Box 2009
Amarillo, Texas 79189

Sun Gas Company
P. O. Box 20
Dallas, Texas 75221
Attention: Manager,
Unitization and
Joint Operations

Patricia Kalvestrand
115 Conifer Lane
Walnut Creek, California 94598

Nicole Huve Trust
c/o First National Bank Trustee
Trust Department
P. O. Box 1331
Amarillo, Texas 79180

Rip C. Underwood Estate
First National Bank of Amarillo
and Hugh Russel Co. Exrs.
P. O. Box 2588
Amarillo, Texas 79105

State of New Mexico



ALEX J. ARMIJO
COMMISSIONER



Commissioner of Public Lands
June 18, 1979

P. O. BOX 1148
SANTA FE, NEW MEXICO 87501

Amoco Production Company
Security Life Building
Denver, Colorado 80202

247

Re: Federal Com. No. 2-R
Gallegos Canyon Unit Area
Lot 4 SW/4SW/4
Sec. 12, T28N R13W N.M.P.M.
San Juan County, New Mexico

ATTENTION: Mr. G. J. Ross

Gentlemen:

We are in receipt of a copy of a letter, dated June 13, 1979, to the United States Geological Survey together with one copy of a Designation of Agent, whereby, Amoco as operator of the Gallegos Canyon Unit designates Curtis J. Little as agent to drill a Dakota formation well in the above described portion of the Unit area.

The Designation of Agent is accepted and we are retaining the one copy for our files.

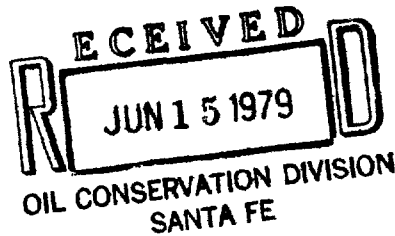
Very truly yours,

ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

BY:
RAY D. GRAMHAM, Director
Oil and Gas Division

AJA/RDG/s
cc:

OCD-Santa Fe, New Mexico
USGS-Roswell, New Mexico



Amoco Production Company

Denver Region
Security Life Building
Denver, Colorado 80202
Western Division
303-820-4040

G. J. Ross
Division Operations
Superintendent

June 13, 1979

U. S. Geological Survey
P. O. Box 959
Farmington, NM 87401

Attention: P. T. McGrath

File: WDF-597-416

Federal Com. No. 2-R
Gallegos Canyon Unit Area
Lot 4 SW/4 SW/4
Sec. 12, T28N-R13W N.M.P.M.
San Juan County, New Mexico

We submit herewith for your approval six copies of a designation of agent. Amoco as operator of the Gallegos Canyon Unit designates Curtis J. Little as agent to drill a Dakota formation well in the above described portion of the Unit area.

Original Filed
G. J. ROSS
By JLK

HLM/mlm

Enclosures

cc: Curtis J. Little
Box 2487
Farmington, NM 87401

New Mexico Oil Conservation Division
State of New Mexico
Box 2088
Santa Fe, New Mexico 87501

Commissioner of Public Lands
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87501

AYB400

*Case
207*

DESIGNATION OF AGENT

This indenture dated as of the 8th day of June, 1979, by and between AMOCO Production Company, a Delaware corporation, whose address is Security Life Building, Denver, Colorado 80202, and CURTIS J. LITTLE, an individual, whose address is P. O. Box 2487, Farmington, New Mexico 87401;

W I T N E S S E T H:

WHEREAS, under the provisions of the Act of February 25, 1920, 41 Stat. 437, 30 U.S.C., Secs. 181 et seq., as amended by the Act of August 8, 1946, 60 Stat. 950, the Acting Secretary of the Interior on the 25th day of July 1951 approved the Unit Agreement for the Development and Operation of the Gallegos Canyon Unit Area dated November 1, 1950, I-Sec. No. 844, and the Commissioner of Public Lands of the State of New Mexico on April 24, 1951, consented to and approved said Unit Agreement by authority of Chapter 88 of the Laws of the State of New Mexico, 1943, approved April 14, 1943, and the State of New Mexico Oil Conservation Commission on April 4, 1951, approved said Unit Agreement by authority of Act of the Legislature (Chapter 72, Laws 1935), wherein Earl A. Benson and William V. Montin were designated as Unit Operator; and

WHEREAS, Earl A. Benson and William V. Montin have resigned as such Operator and, in accordance with the terms of the Gallegos Canyon Unit Agreement, Stanolind Oil and Gas Company, now AMOCO Production Company, was appointed and has accepted and assumed the duties of the successor Unit Operator; and

WHEREAS, AMOCO Production Company now desires to appoint CURTIS J. LITTLE as Agent, and CURTIS J. LITTLE desires to accept and assume the duties of Agent, as set forth below.

NOW, THEREFORE, it is mutually agreed as follows:

1. AMOCO Production Company, as Unit Operator of the Callegos Canyon Unit Agreement, hereby designates Curtis J. Little as Agent to drill, test, complete, operate and/or plug and abandon a Dakota Formation well in the following described portion of the Unit area:

Township 28 North, Range 13 West, N.M.P.M.
Section 12: Lot 4, SW/4 SW/4
containing 68.92 acres, more or less

2. AMOCO Production Company hereby covenants and agrees to comply or secure compliances with all obligations of the Unit Agreement with respect to the above described portion of the Unit area and to file all applications required or necessitated by the terms of such Agreement.

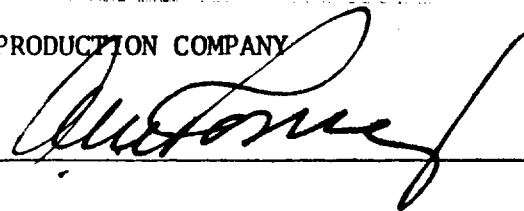
3. It is specifically understood that this Designation of Agent does not relieve AMOCO Production Company of its responsibilities as Unit Operator of the Gallegos Canyon Unit Area.

4. It is further understood and agreed that AMOCO Production Company, as Unit Operator of the Gallegos Canyon Unit area, may, at its option, revoke this Designation of Agent by giving written notice of such revocation to Curtis J. Little, the Commissioner of Public Lands of the State of New Mexico, and the Regional Oil and Gas Supervisor, United States Geological Survey.

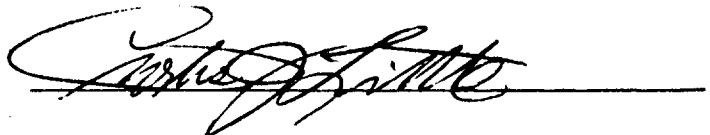
IN WITNESS WHEREOF, this instrument is executed by the parties hereto as of the date hereinabove set forth.

AMOCO PRODUCTION COMPANY

By



CURTIS J. LITTLE





United States Department of the Interior

GEOLOGICAL SURVEY
P. O. Box 26124
Albuquerque, New Mexico 87125

MAY 11 1979

*Case 267
File*

Amoco Production Company
Attention: Mr. G. J. Ross
Security Life Building
Denver, Colorado 80202

Gentlemen:

On this date, your 1979 plan of development and operation of the Gallegos Canyon unit area, San Juan County, New Mexico, wherein you propose to drill 12 wells within the Pictured Cliffs participating area was approved. Such approval is subject to like approval by the appropriate State officials.

Three approved copies are enclosed.

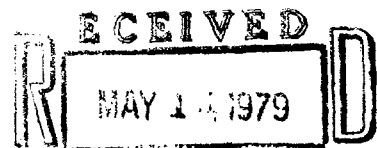
Sincerely yours,

(ORIG. SGD.) GENE F. DANIEL

Acting Oil & Gas Supervisor, SRMA

Enclosures

cc:
NMOCD, Santa Fe (ltr. only) ← This Copy for

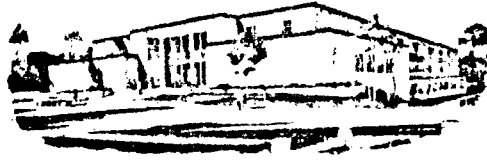


OIL CONSERVATION DIVISION
SANTA FE

State of New Mexico



ALEX J. ARMIJO
COMMISSIONER



Commissioner of Public Lands

May 1, 1979

P. O. BOX 1148
SANTA FE, NEW MEXICO 87501

Amoco Production Company
Security Life Building
Denver, Colorado 80202

Re: 1979-Plan of Development
1978-Review of Operations
Gallegos Canyon Pictured
Cliffs Unit
San Juan County, New Mexico

ATTENTION: Mr. G. J. Ross

Gentlemen:

The Commissioner of Public Lands has this date approved your 1979 Plan of Development, which you submitted on behalf of Energy Reserves Group, Inc., Suboperator for the Gallegos Canyon Pictured Cliffs Unit. Such plan proposes the drilling of twelve (12) wells within the Pictured Cliffs Participating Area. Our approval is subject to like approval by the United States Geological Survey and the New Mexico Oil Conservation Division.

Enclosed is one approved copy for your files.

Please remit a Three (\$3.00) Dollar filing fee.

Very truly yours,

ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

BY:
RAY D. GRAHAM, Director
Oil and Gas Division

AJA/RDG/s

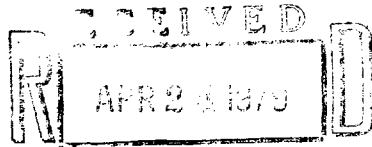
encls.

cc:

OCD-Santa Fe, New Mexico ✓
USGS-Roswell, New Mexico
USGS-Albuquerque, New Mexico



G. J. Ross
Division Operations
Superintendent



OIL CONSERVATION DIVISION
SANTA FE

Amoco Production Company

Denver Region
Security Life Building
Denver, Colorado 80202
Western Division
303-820-4040

April 19, 1979

J. W. Sutherland (5)
Area Oil and Gas Supervisor
United States Geological Survey
P. O. Box 26124
Albuquerque, NM 87125

Commissioner of Public Lands (3)
State of New Mexico
Attention: Mr. Roy D. Graham
P. O. Box 1148
Santa Fe, NM 87501

Oil Conservation Commission (3)
State of New Mexico
Attention: Mr. Joe Ramey
P. O. Box 2088
Santa Fe, NM 87501

File: WDF-385-416

Gentlemen:

Plan of Development - 1979
Review of Operations - 1978
Gallegos Canyon Pictured Cliff Unit
San Juan County, New Mexico

Case 247
Approved
May 17, 1979
3/P

Amoco Oil Company, as Operator of Gallegos Canyon Unit, on behalf of the Suboperator of the Gallegos Canyon Pictured Cliff Unit, Energy Reserves Group, Inc., proposes a Plan of Development for 1979 which provides for the drilling of 12 wells within the Pictured Cliff participating area. The location and projected total depth of each well are listed below.

| <u>Well Number</u> | <u>Location</u> | <u>Depth</u> |
|--------------------|---------------------|--------------|
| 277 | SW NW 15-28N-12W | 1670' |
| 278 | SW SE 17-28N-12W | 1600' |
| 279 | SW NW 23-28N-12W | 1800' |
| 280 | NW SE 24-28N-12W | 1800' |
| 281 | NE SW 25-28N-12W | 1950' |
| 282 | NW SE 31-28N-12W | 1500' |
| 283 | NW NE 29-29N-12W | 1450' |
| 284 | SW SE 30-29N-12W | 1470' |
| 285 | SW SW 31-29N-12W | 1675' |
| 286 | NW SE SE 24-29N-13W | 1400' |
| 287 | SW SE 35-29N-13W | 1850' |
| 288 | NE SW NW 19-29N-12W | 1400' |

J. W. Sutherland et al
Page Two
April 19, 1979

Operations during 1978 in the Gallegos Canyon Pictured Cliff Unit involved the following wells.

| | |
|-----------|----|
| Drilling | 0 |
| Producing | 63 |
| Shut-In | 8 |

Total cumulative and most recent production for the Gallegos Canyon Pictured Cliff Unit are tabulated as follows:

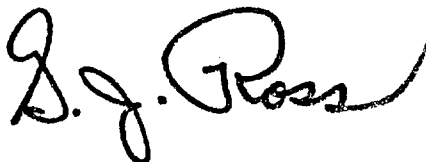
| | |
|---------------------|--------------|
| Cumulative (1-1-79) | 47.7 BCF |
| Production (12-78) | 153 MMCF/mo. |

Discussion

The Gallegos Canyon Pictured Cliff Unit has produced significant quantities of gas since its discovery and has been able to maintain a high rate of production over the past several years. Energy Reserves Group, Inc., the Suboperator of the Unit, proposes to drill the infill wells listed earlier, to provide increased recovery from the Unit.

We respectfully request your approval of our 1979 Plan of Development and 1978 Review of Operations.

Yours very truly,



HLM:pk

Attachment

JG480



B 22 1978

Amoco Production Company

Security Life Building
Denver, Colorado 80202

M. S. Kraemer
Division Production
Manager
A. M. Roney
Division Operations
Superintendent
T. M. Curtis
W. M. Jones
Production Coordination
Superintendents

February 16, 1978

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, NM 87501

Attention: Mr. Joe D. Ramey

File: RAS-251-416

Gentlemen:

Gallegos Canyon Unit Gallup
Well No. 87, NW SE NW Section 35-T29N-R13W and
Well No. 105, NE SE SE Section 12-T28N-R13W
San Juan County, NM

Energy Reserves Group of Casper, Wyoming requested approval from us, as Operator of the Gallegos Canyon Unit, to use the above referenced plugged and abandoned wells to reenter and attempt completion in the Pictured Cliffs formation.

We have secured the approvals of the other working interest owners in these wells, and by attachment we, as Operator of the referenced Unit, are furnishing our approval of Energy Reserves Group's letter to reenter the above referenced wells.

Very truly yours,

DED/fet

cc: w/Attachments
L. O. Speer, Jr. - Farmington

Energy Reserves Group, Inc.
P. O. Box 3280
Casper, WY 82601



February 2, 1978

Amoco Production Company

Security Life Building
Denver, Colorado 80202

FEB 2 1978 B 22 1978
CONSERVATION
M. S. Kraemer
Division Production
Manager
A. M. Roney
Division Operations
Superintendent
T. M. Curtis
W. M. Jones
Production Coordination
Superintendents

National Drilling Company
4810 North Kenneth Avenue
Chicago, IL 60530

File: RAS-33-416

Gentlemen:

Gallegos Canyon Unit-Gallup
Well No. 87
NW SE NW Section 35, T29N-R13W
San Juan County, New Mexico

Gallegos Canyon Unit-Gallup
Well No. 105
NE SE SE Section 12, T28N-R13W
San Juan County, New Mexico

We are in receipt of a letter from Energy Reserves Group, Inc. of Casper, Wyoming, requesting approval to re-enter the above referenced abandoned wells to attempt a Pictured Cliffs gas well completion. They are the operators of the Pictured Cliffs unit.

As operator of the above reference units, we request your approval of Energy Reserves request. For your information we attach a copy of Energy Reserves' notice to the USGS.

If you approve of our giving approval for Energy Reserves to re-enter the above referenced wells, please sign on the space provided below and return to this office as soon as possible.

Very truly yours,

DED:ljf

Attachment

National Drilling Company
February 2, 1978
Page 2

Approved this 7 day of Feb, 1978

NATIONAL DRILLING COMPANY

By 

DD325



247
United States Department of the Interior

GEOLOGICAL SURVEY
Conservation Division
Western National Bank Building
505 Marquette, NW, Suite 815
Albuquerque, New Mexico 87102

November 10, 1976

Amoco Production Company
Attention: Mr. T.M. Curtis
Security Life Company
Denver, Colorado 80202

Gentlemen:

Your letter of August 16, 1976, advises that as unit operator of the Gallegos Canyon unit agreement, San Juan County, New Mexico, you have determined that the Gallegos No. 4 well in the SW1/4 sec. 22, T. 28N., R. 12W., N.M.P.M., Federal lease Santa Fe 078106, is not capable of producing unitized substances in paying quantities from the Fruitland formation.

The Gallegos No. 4 well was completed on March 17, 1976, for an absolute open flow of 246 MCF of gas per day. During the period from first sales in April, 1976 through August, 1976, said well has produced 2,125 MCF of gas in 128 days of operation for an average of 16.60 MCF of gas per day.

This office concurs with your determination that the Gallegos No. 4 well is not capable of producing unitized substances in paying quantities under existing conditions.

Sincerely yours,

JAMES W. SUTHERLAND
Area Oil and Gas Supervisor

cc:
Farmington (w/cy notice)
Com. Pub. Lands, Santa Fe (ltr. only)
NMOCC, Santa Fe (ltr. only) ← This Copy for
Accounts

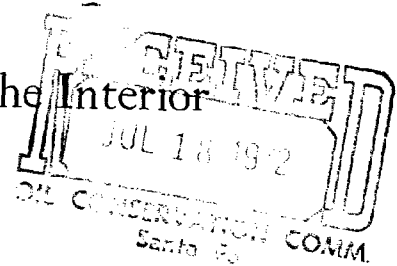
ARStall:dlk:11/1/76



United States Department of the Interior

GEOLOGICAL SURVEY

Drawer 1857
Roswell, New Mexico 88201



July 17, 1972

Amoco Production Company
Security Life Building
Denver, Colorado 80202

Attention: Mr. T. M. Curtis

Gentlemen:

Your notice of June 28, 1972, advises that as operator of the Gallegos Canyon unit, San Juan County, New Mexico, you have determined that unit well No. 257 in the NE 1/4 sec. 19, T. 28 N., R. 11 W., N.M.P.M., lease Santa Fe 088844-A, is not capable of producing unitized substances in paying quantities from the Fruitland formation.

Unit well No. 257 was completed as a water injection well in the Gallup formation in 1967. Your subsequent recompletion in the Fruitland interval 1,312 to 1,327 feet was tested July 20, 1971, for an initial absolute open flow of 1,050 MCFD. First sales was on January 27, 1972, and cumulative production through May was 12,614 MCF with May production averaging 61 MCFD. Your estimate from pressure and decline data indicate an ultimate recovery of 75,000 MCF.

This office concurs with your determination that well No. 257 is not capable of producing unitized substances in paying quantities.

Sincerely yours,

CARL C. TRAYWICK
Acting Area Oil and Gas Supervisor

cc:
Washington (w/cy notice)
Farmington (w/cy notice)
Com. Pub. Lands, Santa Fe (ltr only)
✓ NMOCC, Santa Fe (ltr only)
Accounts

JAG:llham:ds

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

May 28, 1971

247

C
O
P
Y

Amoco Production Company
Security Life Building
Denver, Colorado 80202

Attention: Mr. T. M. Curtis

Re: 1971 Plan of Development
Gallegos Canyon Unit,
San Juan County, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the 1971 Plan of Development dated March 12, 1971, for the Gallegos Canyon Unit, San Juan County, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Two approved copies of the plan are returned herewith.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/JEK/og

cc: United States Geological Survey - Roswell
Commissioner of Public Lands - Santa Fe



Amoco Production Company

Security Life Building
Denver, Colorado 80202

Producing Department

H. T. Hunter
Division Production
Manager

W. M. Jones
T. M. Curtis
District Superintendents

March 12, 1971

File: TMC-61-416

Re: 1971 Plan of Development
Gallegos Canyon Unit
San Juan County, New Mexico

Director (6)
United States Geological Survey
P. O. Drawer 1857
Roswell, New Mexico 88201

Commissioner of Public Lands (3)
The State of New Mexico
State Land Office Building
Santa Fe, New Mexico 87501

Oil Conservation Commission of (3)
The State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

All Working Interest Owners
Gallegos Canyon Unit
(See Attached Addressee List)

Gentlemen:

In compliance with Section 9 of the Gallegos Canyon Unit Agreement dated November 1, 1950, designated I-Sec. No. 844, Amoco Production Company, as Unit Operator, respectfully submits for your approval a Plan of Development for the calendar year of 1971. The proposed plan has been approved by the Working Interest Owners as provided by the Unit Operating Agreement.

History of Past Development - There has been a total of 255 wells drilled in the Gallegos Canyon Unit. Of these, 60 are Pictured Cliffs producers, 27 are Gallup-Dakota duals, 128 are single Dakotas, 18 are Gallup oil, 1 is a Gallup gas, 6 are Fruitland completions, 32 wells are dry holes and abandoned and 8 are water injectors.

Participating areas have been formed for the Pictured Cliffs, Dakota, four separate Gallup pools and the Fruitland formation. Two water injection projects are in operation on acreage comprising Gallup Areas "C" and "D".

The two following Dakota wells were drilled and completed as producers during 1970:

Well No. 264

1630' FNL, 1150' FWL, Section 17, T28N, R12W

Completed 12-30-70

3 hr. test, 1,792 MCFD on 3/4" choke. SIP 1,310 psig

March 12, 1971

Well No. 265

790' FSL, 790' FEL, Section 25, T28N, R12W

Completed 8-6-70

3 hr. test, 2,590 MCFD on 3/4" choke. SIP 1,980 psig

No other development in the Gallup, Pictured Cliffs or Fruitland is anticipated at this time.

Offset Obligation - Appropriate measures will be taken to prevent drainage of unitized substances from lands subject to the Gallegos Canyon Unit Agreement or, pursuant to applicable regulations, fair and reasonable compensatory royalty will be paid as provided in Section 15 of the Unit Agreement.

Further Development - This Plan of Development shall constitute the drilling obligation of the Unit Operator under terms of the Gallegos Canyon Unit Agreement for the period ending December 31, 1971.

Modifications - It is understood that this plan is dependent upon certain information to be obtained prior to and subsequent to drilling; therefore, it may be modified from time to time to meet changing conditions.

Effective Date - This Plan of Development shall be effective January 1, 1971.

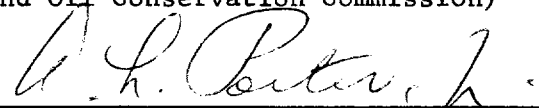
Yours very truly,



Attachments

APPROVED: _____ DATE: _____
Director, United States Geological Survey
(Subject to like approval by appropriate
State Officials)

APPROVED: _____ DATE: _____
Commissioner of Public Lands
(Subject to like approval by U.S.G.S.
and Oil Conservation Commission)

APPROVED:  DATE: May 28, 1971
Oil Conservation Commission
(Subject to like approval by U.S.G.S.
and Commissioner of Public Lands)

MAILING LIST OF WORKING INTEREST OWNERS
GALLEGOS CANYON UNIT AREA
SAN JUAN COUNTY, NEW MEXICO

American Petrofina Co. of Texas
P. O. Box 2159
Dallas, Texas 75202
Attention: Mr. L. M. Thompson
Prod. Dept.

American Petrofina Co. of Texas
P. O. Box 2159
Dallas, Texas 75202
Attention: Mr. Deewall
Land Dept.

The Atlantic Refining Company (3)
P. O. Box 1978
Roswell, New Mexico 88201

Aztec Oil and Gas Company
2000 First National Bank Building
Dallas, Texas 75202
Attention: Mr. P. R. Watts, Jr.

Brookhaven Oil Company
P. O. Box 1267
Scottsdale, Arizona 85252

Featherstone Farms Ltd.
1717 West Second Street
Roswell, New Mexico 88201

A. C. Pegg
P. O. Box 66067
Chicago, Illinois 66066

E. I. Rydin
P. O. Box 8852
Chicago, Illinois 60680

L. B. Hodges
P. O. Box 489
Roswell, New Mexico 88201

Elma R. Jones
3526 Pacific Avenue
Stockton, California 95201

Mr. J. R. Jones
711 Petroleum Life Building
Midland, Texas 79701

National Drilling Company, Inc.
4810 North Kenneth Avenue
Chicago, Illinois 60630

Pubco Petroleum Corporation
P. O. Box 1419
Albuquerque, New Mexico 87103

Skelly Oil Company
1860 Lincoln Street
Denver, Colorado 80203
Attention: Mr. Leland Franz

Southern Union Production Company
Fidelity Union Tower Building
Dallas, Texas 75201
Attention: Mr. L. S. Muennink

Texaco, Inc.
P. O. Box 2100
Denver, Colorado 80202

Texas Pacific Oil Company
P. O. Box 747
Dallas, Texas 75221
Attention: Mr. L. B. Jeffers

Rip C. Underwood
Box 2588
First National Bank Building
Amarillo, Texas 79101

Wood Oil Company
Thurston National Bank Building
Tulsa, Oklahoma 74103

El Paso Natural Gas Company
P. O. Box 1492
El Paso, Texas 79999
Attention: Land Dept.

Mr. R. D. Fitting
504 Vaughn Building
Midland, Texas 79701

Financial Technology, Inc.
7501 Carpenter Freeway
Dallas, Texas 75247

MAILING LIST OF WORKING INTEREST OWNERS
GALLEGOS CANYON UNIT AREA
SAN JUAN COUNTY, NEW MEXICO

Mr. Arthur B. Johnson
1114 Laurel Drive
Lafayette, California 94549

Mr. Harold K. Johnson
1118 Laurel Drive
Lafayette, California 94549

Mis Marie C. Anderson
372 Euclid Avenue
Oakland, California 94610

Miss Agnes L. Fulsaas
1903 Adams Court
Mountain View, California 94040

Mr. J. J. Christmann
Great Plains Building
Lubbock, Texas 79401

Estate of Ralph Fitting, Jr.
P. O. Box 782
Midland, Texas 79701

Redfern & Herd, Inc.
P. O. Box 1747
Midland, Texas 79701

Sun Oil Company
DX Division
1101 Wilco Building
Midland, Texas 79701
Attention: Mr. V. N. Williams

Mr. J. Markham
Great Plains Building
Lubbock, Texas 79401

Mary Roberts Berry
208 East Washington Street
Washington, Iowa 52353

Drawer 1857
Roswell, New Mexico 88201

APR 7 1971

April 6, 1971

247

Amoco Production Company
Security Life Building
Denver, Colorado 80202

Attention: Mr. T. M. Curtis

Gentlemen:

Your 1971 plan of development for the Gallegos Canyon unit area, San Juan County, New Mexico, proposing the drilling of no additional wells, has been approved on this date subject to like approval by the appropriate State officials.

Three approved copies of the plan are enclosed.

Sincerely yours,

(ORIG. SGD.) N. O. FREDERICK

N. O. FREDERICK
Regional Oil and Gas Supervisor

cc:

Washington (w/cy of plan)
Farmington (w/cy of plan)
NMOCC, Santa Fe (ltr. only)
Com. of Pub. Lands, Santa Fe (ltr. only)

March 17, 1971

247

Asoco Production Company
Security Life Building
Denver, Colorado 80202

Re: 1971 Plan of Development
Gallegos Canyon Unit
San Juan County, New Mexico

ATTENTION: Mr. T. M. Curtis

Gentlemen:

The Commissioner of Public Lands has this date approved your 1971 Plan of Development for the Gallegos Canyon Unit, San Juan County, New Mexico, subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

One approved copy of the plan is enclosed herewith.

Please remit a three (\$3.00) dollar filing fee.

Sincerely yours,

GORDON G. MARCUM, II, Director
Oil and Gas

AJA/GGM/s
encl.

cc: USGS-Roswell, New Mexico
OCC- Santa Fe, New Mexico



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Drawer 1857
Roswell, New Mexico 88201

IN REPLY REFER TO:

70 NOV 23 AM 8 32

247

November 18, 1970

Pan American Petroleum Corporation
Security Life Building
Denver, Colorado 80202

RECEIVED
BUREAU OF LAND MANAGEMENT
LAND OFFICE - SALT LAKE CITY
NOV 19 1970

Attention: Mr. H. T. Hunter

Gentlemen:

HOUS: 10:10 A.M.

Your letter of October 12 transmits three copies of an instrument entitled "Designation of Agent" dated July 1, 1970, whereby Pan American Petroleum Corporation, as unit operator of the Gallegos Canyon unit agreement, San Juan County, New Mexico, designates Clinton Oil Company as its agent to drill and operate Pictured Cliffs formation wells in the Pictured Cliffs participating area embracing 27,794.68 acres as described in the instrument. Such instrument also designates Clinton as agent to operate non-commercial unit well No. 140 completed in the Gallup and non-commercial unit wells Nos. 77 and 82 completed in the Fruitland. Your supplemental letter of November 11 states that such properties are considered marginal by Pan American. The Designation of Agent states that Pan American will not be relieved of any of its responsibilities as unit operator of the Gallegos Canyon unit area.

Copies of the Designation of Agent are being distributed to the appropriate Federal offices.

(ORIG. SGD.) CARL C. TRAYWICK
CARL C. TRAYWICK
Acting Oil and Gas Supervisor

cc:
Washington (w/cy desig.)
Farmington (w/cy desig.)
BLM, Santa Fe (w/cy desig.)
NMOCC, Santa Fe (ltr. only)
Com. Pub. Lands, Santa Fe (ltr. only)

10000
JUL 2 2 00 PM '70

SUB-OPERATING AGREEMENT

Gallegos Canyon Unit Area
San Juan County, New Mexico
I - Sec. No. 844

THIS AGREEMENT, entered into as of the first day of July, 1970, by and between PAN AMERICAN PETROLEUM CORPORATION, a Delaware corporation, authorized to do business in the State of New Mexico and hereinafter referred to as "Pan American" or "Unit Operator," and AZTEC OIL & GAS COMPANY, a corporation, authorized to do business in the State of New Mexico, hereinafter referred to as "Aztec" or "Sub-Operator;"

W I T N E S S E T H :

WHEREAS, Pan American is the designated Unit Operator under the Unit Agreement for the development and operation of the Gallegos Canyon Unit Area, County of San Juan, State of New Mexico, dated November 1, 1950, and also under the companion Unit Operating Agreement, dated January 15, 1951, which agreements are hereinafter referred to respectively as the "Unit Agreement" and "Unit Operating Agreement," or collectively as "said agreements;" and,

WHEREAS, the parties hereto desire to provide for the operation by Sub-Operator of the Gallup "C" Participating Area within the said unit area, subject to said agreements and all of the terms and conditions hereof;

NOW, THEREFORE, in consideration of the premises, it is mutually agreed by and between the parties hereto as follows:

1. Pan American hereby designates Aztec as its agent, with full authority to act in its behalf as Sub-Operator in complying with the terms of the Unit Agreement and regulations applicable thereto and on whom the Supervisor or his representative may serve written or oral instructions in securing compliance with the Oil and Gas Operating Regulations with respect to:

The Gallup "C" Participating Area, as established by fourth enlargement effective August 1, 1963 (sometimes referred to as the sub-operated formation).

2. Sub-Operator hereby agrees and consents to accept the duties and responsibilities and to discharge all the rights, privileges, powers and obligations of the Unit Operator under the Unit Agreement and also under the Unit Operating Agreement, as to the sub-operated formation, and as to the unitized substances in and produced from the sub-operated formation.

3. Nothing in this agreement shall be construed or shall operate to relieve Unit Operator from its obligations and responsibilities under said agreements. To the extent, however, that Sub-Operator assumes the obligations and responsibilities of Unit Operator by reason of the provisions of this agreement, Sub-Operator shall indemnify and hereby agrees to indemnify Unit Operator against any loss, obligation or responsibility arising from any action or inaction of Sub-Operator under said Unit Agreement or Unit Operating Agreement.

4. This agreement is not intended, and shall not be construed, as vesting in Sub-Operator any working interest or royalty interest or other interest in or to land or lands which are not otherwise owned by Sub-Operator.

5. So long as this agreement shall remain effective, Sub-Operator shall perform, subject to the terms and conditions of this agreement, any and all things which may be required of him or of the Unit Operator by the United States Geological Survey or the State of New Mexico or any other governmental agency or authorized representative thereof pertaining to the sub-operated formation. Sub-Operator's said duties with respect to the reports and actions to said governmental authorities shall extend to and include reports or actions due by reason of Sub-Operator's activities hereunder. Sub-Operator shall furnish to Unit Operator a copy of all reports made, shall notify Unit Operator of all actions taken, and shall keep Unit Operator fully and currently advised with respect to Sub-Operator's activities hereunder.

6. Sub-Operator shall conduct its operations with respect to the sub-operated formation through its own employees or through independent contractors selected by it. Neither the Sub-Operator nor any party performing services for Sub-Operator as either agent or employee or as independent contractor, or otherwise, shall be an employee or agent of the Unit Operator for any purpose. Sub-Operator shall comply with all of the provisions of the Unit Agreement and Unit Operating Agreement affecting its activities hereunder in the same manner and to the same extent as though Sub-Operator were the designated Unit Operator, including but not limited to the provisions relating to insurance. Sub-Operator shall furnish to Unit Operator, on Unit Operator's forms, certificates in duplicate evidencing such insurance.

7. This agreement shall become effective as of 7:00 o'clock a.m., July 1, 1970, and shall remain in force and effect so long as unitized substances are produced from the properties described in Section 1 hereof; provided, that either party hereto may terminate this agreement by giving not less than 30 days written notice thereof to the other party. Unit Operator agrees promptly to notify the Oil and Gas Supervisor, the Commissioner of Public Lands, and the Oil Conservation Commission of any change in the designated agent.

8. The attached Exhibit A to this agreement, containing the Equal Employment Opportunity and Non-discrimination Provision of Section 202 of Executive Order 11246 is made a part hereof by reference.

IN WITNESS WHEREOF, this agreement has been duly executed and delivered as of the day and year above stated.

PAN AMERICAN PETROLEUM CORPORATION

By 
Its Attorney in Fact

- UNIT OPERATOR -

AZTEC OIL & GAS COMPANY

ATTEST:

Billie L. Allen
ASSISTANT Secretary

By Quidman B. Davis
Vice President

- SUB-OPERATOR -

STATE OF COLORADO)
: SS.
CITY AND COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 30 day of June, 1970, by H. T. Hunter, as attorney in fact on behalf of PAN AMERICAN PETROLEUM CORPORATION.

WITNESS my hand and official seal.

Geraldine B. Book
Notary Public

My Commission expires:

My Commission expires Apr. 22, 1973

STATE OF Texas)
: SS.
COUNTY OF Dallas)

The foregoing instrument was acknowledged before me this 24th day of June, 1970, by QUIDMAN B. DAVIS, Vice President of AZTEC OIL & GAS COMPANY, a corporation, on behalf of said corporation.

WITNESS my hand and official seal.

Peggy Tapp
Notary Public

My Commission expires:

June 1, 1971

PEGGY TAPP
NOTARY PUBLIC, DALLAS COUNTY, TEXAS
MY COMMISSION EXPIRES JUNE 1, 1971

PROVISIONS OF SECTION 202 OF
EXECUTIVE ORDER 11246

"(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

"(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

"(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

"(4) The contractor will comply with all provisions of Executive Order No. 11246 of Sept. 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

"(5) The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

"(6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of Sept. 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by Law.

"(7) The contractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of Sept. 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States."

PAN AMERICAN PETROLEUM CORPORATION

SECURITY LIFE BUILDING
DENVER, COLORADO 80202

JUL 1 1970

247

June 30, 1970

File: HTH-300-950.5

Re: Sub-Operating Agreement
Gallegos Canyon Unit
Gallup "C" Participating Area
San Juan County, New Mexico

Mr. Carl C. Traywick
Acting Oil and Gas Supervisor
United States Geological Survey
P.O. Drawer 1857
Roswell, New Mexico 88201

Dear Sir:

Pan American, as unit operator of the Gallegos Canyon Unit, has entered into an agreement with Aztec Oil and Gas Company, whereby Aztec is designated Pan American's agent for the operation of the Gallegos Canyon Unit Gallup "C" Participating Area. The effective date of the agreement is July 1, 1970.

We are enclosing three (3) copies of the agreement for your information and records. By copy of this letter, we are also furnishing copies of the agreement to the state of New Mexico.

ORIGINAL SIGNED BY
H. T. HUNTER

JIM:rr

Attachments

cc: Mr. Alex Armijo, Land Commissioner
Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

bcc: Aztec Oil Gas Company
2000 First National Bank Building
Dallas, Texas 75202

Mr. L. O. Speer, Jr.
Farmington

PAN AMERICAN PETROLEUM CORPORATION

SECURITY LIFE BUILDING

DENVER, COLORADO 80202

April 15, 1970

File: HTH- 205-950:5

Re: Resignation as Operator

PRODUCING DEPARTMENT
H. T. HUNTER
DIVISION PRODUCTION
MANAGER

DRILLING
J. E. Fox, Jr.
GAS SALES
A. H. BARRETT
ADMINISTRATION
S. G. BAKER

TO ALL WORKING INTEREST OWNERS
(See List Attached)

Gentlemen:

Effective at 7:00 a.m. on December 31, 1969, Pan American Petroleum Corporation sold all its interest in the following joint interest property to Clinton Oil Company of Wichita, Kansas. Pan American is presently serving as Operator of the property pursuant to the terms and provisions of the Unit and Unit Operating Agreement.

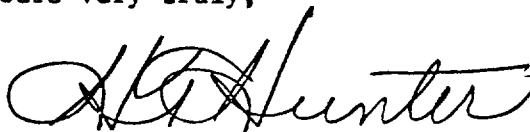
| <u>Property</u> | <u>Location</u> |
|-------------------------------------|--|
| Gallegos Canyon Unit Well No. 77 | West Kutz - Pictured Cliffs San Juan County, New Mexico |

In accordance with the terms of the Agreement, Pan American hereby resigns as Unit Operator of the above property. It is Pan American's desire that a new Operator be selected and approved so that its resignation may become effective at 7:00 a.m. on July 1, 1970.

As a matter of information and to help facilitate the selection of a successor Operator, Clinton Oil Company has expressed a desire to succeed Pan American as Unit Operator of the joint property on July 1, 1970.

If the selection of Clinton Oil Company, as new Operator, is agreeable with you, please signify your approval by signing and returning one copy of this letter to our office.

Yours very truly,



APPROVED _____

COMPANY _____

DATE _____

MAILING LIST
Gallegos Canyon Unit
Well No. 77

American Petrofina Co. of Texas
P. O. Box 2159
Dallas, Texas 75221

Aztec Oil and Gas Company
2000 First National Bank Building
Dallas, Texas 75202

Southern Union Production Company
Fidelity Union Tower Building
Dallas, Texas 75201

Sunray DX Oil Company
1101 Wilco Building
Midland, Texas 79701

Texaco, Inc.
P. O. Box 2100
Denver, Colorado 80201

E. A. Hanson
P. O. Box 852
Roswell, New Mexico

H. K. Riddle
P. O. Box 11537
Albuquerque, New Mexico 87112

Summit Oil Company
Burt Building
Dallas, Texas

The Director
United States Geological Survey
Washington, D. C.

Through: Mr. Carl C. Traywick
Acting Oil and Gas Supervisor
United States Geological Survey
P. O. Drawer 1857
Roswell, New Mexico 88201

Mr. Alex Armijo, Land Commissioner
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

PAN AMERICAN PETROLEUM CORPORATION

SECURITY LIFE BUILDING

DENVER, COLORADO 80202

April 15, 1970

File: HTH-203-950.5

Re: Resignation as Operator

PRODUCING DEPARTMENT
T. HUNTER
DIVISION PRODUCTION
MANAGER

DRILLING
J. E. Fox, Jr.
GAS SALES
A. H. BARRETT
ADMINISTRATION
S. G. BAKER

TO ALL WORKING INTEREST OWNERS
(See List Attached)

Gentlemen:

Effective at 7:00 a.m. on December 31, 1969, Pan American Petroleum Corporation sold all its interest in the following joint interest property to Clinton Oil Company of Wichita, Kansas. Pan American is presently serving as Operator of the property pursuant to the terms and provisions of the Unit and Unit Operating Agreement.

Property

Location

Gallegos Canyon Unit
Well No. 140

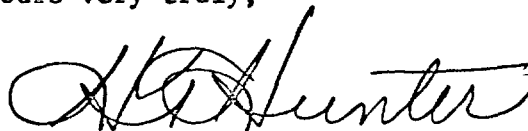
Cha Cha Gallup Field
San Juan County, New Mexico

In accordance with the terms of the Agreement, Pan American hereby resigns as Unit Operator of the above property. It is Pan American's desire that a new Operator be selected and approved so that its resignation may become effective at 7:00 a.m. on July 1, 1970.

As a matter of information and to help facilitate the selection of a successor Operator, Clinton Oil Company has expressed a desire to succeed Pan American as Unit Operator of the joint property on July 1, 1970.

If the selection of Clinton Oil Company, as new Operator, is agreeable with you, please signify your approval by signing and returning one copy of this letter to our office.

Yours very truly,



APPROVED _____

COMPANY _____

DATE _____

MAILING LIST
GALLEGOS CANYON UNIT
WELL NO. 140

The Director
United States Geological Survey
Washington, D. C.

Through: Mr. Carl C. Traywick
Acting Oil and Gas Supervisor
United States Geological Survey
P. O. Drawer 1857
Roswell, New Mexico 88201

Mr. Alex Armijo, Land Commissioner
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Texaco, Inc.
P. O. Box 2100
Denver, Colorado

Southern Union Production Company
Fidelity Union Tower Building
Dallas, Texas 75201

Aztec Oil and Gas Company
2000 First National Bank Building
Dallas, Texas 75202

PAN AMERICAN PETROLEUM CORPORATION

SECURITY LIFE BUILDING

DENVER, COLORADO 80202

April 15, 1970

File: HTH-206-950.5

PRODUCING DEPARTMENT
H. T. HUNTER
DIVISION PRODUCTION
MANAGER

DRILLING
J. E. Fox, Jr.
GAS SALES
A. H. BARRETT
ADMINISTRATION
S. G. BAKER

Re: Resignation as Operator

TO ALL WORKING INTEREST OWNERS
(See List Attached)

Gentlemen:

Effective at 7:00 a.m. on December 31, 1969, Pan American Petroleum Corporation sold all its interest in the following joint interest property to Clinton Oil Company of Wichita, Kansas. Pan American is presently serving as Operator of the property pursuant to the terms and provisions of the Unit and Unit Operating Agreement.

Property

Location

Gallegos Canyon Unit
(Pictured Cliffs)

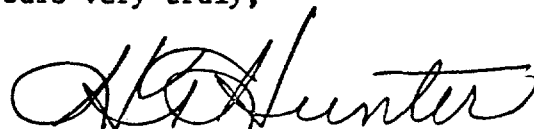
West Kutz - Pictured Cliffs
San Juan County, New Mexico

In accordance with the terms of the Agreement, Pan American hereby resigns as Unit Operator of the above property. It is Pan American's desire that a new Operator be selected and approved so that its resignation may become effective at 7:00 a.m. on July 1, 1970.

As a matter of information and to help facilitate the selection of a successor Operator, Clinton Oil Company has expressed a desire to succeed Pan American as Unit Operator of the joint property on July 1, 1970.

If the selection of Clinton Oil Company, as new Operator, is agreeable with you, please signify your approval by signing and returning one copy of this letter to our office.

Yours very truly,



APPROVED _____

COMPANY _____

DATE _____

MAILING LIST
PICTURED CLIFFS PARTICIPATING AREA
GALLEGOS CANYON UNIT

The Director
United States Geological Survey
Washington, D. C.

Through: Mr. Carl C. Traywick
Acting Oil and Gas Supervisor
United States Geological Survey
P. O. Drawer 1857
Roswell, New Mexico

Aztec Oil and Gas Company
2000 First National Bank Building
Dallas, Texas 75202
Attn: Mr. P. R. Watts, Jr.

Bloomfield Royalty Corporation
1935 National Bank Building
1507 Pacific Avenue
Dallas, Texas 75201

Southern Union Production Company
Fidelity Union Tower Building
1507 Pacific Avenue
Dallas, Texas 75201
Attn: Mr. L. S. Muennink

Texaco, Inc.
P. O. Box 2100
Denver, Colorado 80201

American Petrofina Co. of Texas
P. O. Box 2159
Dallas, Texas
Attn: Mr. L. M. Thompson

Pubco Petroleum Corporation
P. O. Box 869
Albuquerque, New Mexico 87103

Featherstone Farms, Ltd.
1717 West Second
Roswell, New Mexico

A. C. Pegg
P. O. Box 66067
Chicago, Illinois 66066

Brookhaven Oil Company
P. O. Box 1267
Scottsdale, Arizona 85252

L. B. Hodges
P. O. Box 489
Roswell, New Mexico 88201

Mr. Alex Armijo, Land Commissioner
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Elma R. Jones
c/o R. H. Klinger
P. O. Box 1741
Stockton, California 95201

National Drilling Company, Inc.
4810 North Kenneth Avenue
Chicago, Illinois 60630

Wood Oil Company
Room 800 - Midstates Building
Tulsa, Oklahoma 74103

Sunray DX Oil Company
1101 Wilco Building
Midland, Texas 79701
Attn: Mr. V. M. Williams

Texas Pacific Oil Company
P. O. Box 747
Dallas, Texas 75221
Attn: Mr. L. B. Jeffers

E. I. Rydin
P. O. Box 8852
Chicago, Illinois

Marie C. Anderson
359 Vernon Street
Oakland, California 94610

Agnes L. Fulsas
1903 Adams Court
Mountain View, California 94040

Arthur B. Johnson
1114 Laurel Drive
Lafayette, California 94549

Harold K. Johnson
1118 Laurel Drive
Lafayette, California 94549

Drawer 1857
Roswell, New Mexico 88201

MAIN OFFICE 000

70 MAR 5 PM 1 16

247

March 4, 1970

Pan American Petroleum Corporation
Security Life Building
Denver, Colorado 80202

Attention: Mr. T. M. Curtis

Gentlemen:

Your 1970 plan of development for the Gallegos Canyon unit area, San Juan County, New Mexico, proposing the drilling of no additional wells, has been approved on this date subject to like approval by the appropriate State officials.

Three approved copies of the plan are enclosed.

Sincerely yours,

(ORIG. SGD.) CARL C. TRAYWICK

CARL C. TRAYWICK
Acting Oil and Gas Supervisor

cc:
Washington (w/cy of plan)
Farmington (w/cy of plan)
NMOCC, Santa Fe (ltr. only) ←
Com. Off. Pub. Lands, Santa Fe (ltr. only)

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

March 4, 1970

247

Pan American Petroleum Corporation
Security Life Building
Denver, Colorado 80202

Attention: Mr. T. M. Curtis

Re: 1970 Plan of Development
Gallegos Canyon Unit,
San Juan County, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the 1970 Plan of Development dated February 18, 1970, for the Gallegos Canyon Unit, San Juan County, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Two approved copies of the plan are returned herewith.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/JEK/og

cc: United States Geological Survey - Roswell
Commissioner of Public Lands - Santa Fe

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MAIN OFFICE
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February 24, 1970

**Pan American Petroleum Corporation
Security Life Building
Denver, Colorado 80202**

**Re: 1970 Plan of Development
Gallegos Canyon Unit
San Juan County, New Mexico**

ATTENTION: Mr. T. M. Curtis

Gentlemen:

The Commissioner of Public Lands has this date approved your 1970 Plan of Development for the Gallegos Canyon Unit, San Juan County, New Mexico, Subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

One approved copy of the plan is enclosed herewith.

Very truly yours,

**Ted Hilberry, Director
Oil and Gas Department**

**TA/ML/s
encl. 1.
cc: USGS-Roswell, New Mexico
OCC- Santa Fe, New Mexico**

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PAN AMERICAN PETROLEUM CORPORATION

PRODUCING DEPARTMENT
H. T. HUNTER
DIVISION PRODUCTION
MANAGER

SECURITY LIFE BUILDING
DENVER, COLORADO 80202

DISTRICT SUPERINTENDENTS
W. M. JONES
T. M. CURTIS

February 18, 1970

File: TMC-62-416

Re: 1970 Plan of Development
Gallegos Canyon Unit
San Juan County, New Mexico

Director (6)
United States Geological Survey
P. O. Drawer 1857
Roswell, New Mexico 88201

Commissioner of Public Lands (3)
The State of New Mexico
State Land Office Building
Santa Fe, New Mexico 87501

Oil Conservation Commission of (3)
The State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

All Working Interest Owners
Gallegos Canyon Unit
(See Attached Addressee List)

Gentlemen:

In compliance with Section 9 of the Gallegos Canyon Unit Agreement dated November 1, 1950, designated I-Sec. No. 844, Pan American Petroleum Corporation, as Unit Operator, respectfully submits for your approval a Plan of Development for the calendar year of 1970. The proposed plan has been approved by the Working Interest Owners as provided by the Unit Operating Agreement.

History of Past Development - There has been a total of 253 wells drilled in the Gallegos Canyon Unit. Of these, 60 are Pictured Cliffs producers, 27 are Gallup-Dakota duals, 126 are single Dakotas, 18 are Gallup oil, 1 is a Gallup gas, 6 are Fruitland completions, 32 wells are dry holes and abandoned and 8 are water injectors.

Participating areas have been formed for the Pictured Cliffs, Dakota, four separate Gallup pools and the Fruitland formation. Two water injection projects are in operation on acreage comprising Gallup Areas "C" and "D".

During 1969, Well No. 238, which had been abandoned in the Dakota since 1966, was re-entered and the Gallup formation perforated and tested. Production was non-commercial and the well has been temporarily abandoned. The well is located within the Gallup Participating Area "C".

The attached tabulation furnishes a statistical review of operations in the Gallegos Canyon Unit.

Proposed Additional Wells - The Dakota development program is now essentially complete.

February 18, 1970

No other development in the Gallup, Pictured Cliffs or Fruitland is anticipated at this time.

Offset Obligation - Appropriate measures will be taken to prevent drainage of unitized substances from lands subject to the Gallegos Canyon Unit Agreement or, pursuant to applicable regulations, fair and reasonable compensatory royalty will be paid as provided in Section 15 of the Unit Agreement.

Further Development - This Plan of Development shall constitute the drilling obligation of the Unit Operator under terms of the Gallegos Canyon Unit Agreement for the period ending December 31, 1970.

Modifications - It is understood that this plan is dependent upon certain information to be obtained prior to and subsequent to drilling; therefore, it may be modified from time to time to meet changing conditions.

Effective Date - This Plan of Development shall be effective January 1, 1970.


Yours very truly,



Attachments

APPROVED: _____ DATE: _____
Director, United States Geological Survey
(Subject to like approval by appropriate
State Officials)

APPROVED: _____ DATE: _____
Commissioner of Public Lands
(Subject to like approval by U.S.G.S.
and Oil Conservation Commission)

APPROVED:  DATE: March 4, 1970
Oil Conservation Commission
(Subject to like approval by U.S.G.S.
and Commissioner of Public Lands)

STATISTIC REVIEW OF OPERATIONS
GALLEGOS CANYON UNIT

January 1, 1970

| | |
|----------------------------------|-----------------|
| Total wells drilled in Unit area | 253 |
| Total Unit acreage | 43,146.82 acres |

Pictured Cliffs Statistics

| | |
|------------------------------------|-----------------|
| Pictured Cliffs Participating Area | 27,496.46 acres |
| Total wells drilled | 78 |
| Producing wells | 60 |
| Current production: | |
| November 1969 | 102,800 MCF |
| December 1969 | 109,613 MCF |
| Cumulative production to 1/1/70 | 36,766,261 MCF |

Dakota Statistics

| | |
|---------------------------------|------------------------|
| Dakota Participating Area | 43,146.62 acres |
| Total wells drilled | 130 (includes 4 duals) |
| Producing wells | 128 (includes 2 duals) |
| Current production: | |
| November 1969 | 3,085,136 MCF |
| December 1969 | 3,209,934 MCF |
| Cumulative production to 1/1/70 | 144,401,507 MCF |

Gallup Statistics

| | |
|---------------------------------|--|
| Gallup Participating Area "A" | 880 acres |
| Gallup Participating Area "B" | 715.40 acres |
| Gallup Participating Area "C" | 2,148.75 acres |
| Gallup Participating Area "D" | 2,396.88 acres |
| Producing Wells | 21 (includes 2 duals, & 1 Gallup gas) |
| Total wells drilled | 43 |
| Current production: | |
| November 1969 | 4,990 Bbls. |
| December 1969 | 4,633 Bbls. |
| Cumulative production to 1/1/70 | 1,826,770 Bbls. |

Fruitland Statistics

| | |
|---------------------------------|----------------|
| Fruitland Participating Area | 1,275.68 acres |
| Total wells drilled | 6 |
| Producing wells | 6 |
| Current production: | |
| November 1969 | 45,134 MCF |
| December 1969 | 47,093 MCF |
| Cumulative production to 1/1/70 | 1,917,816 MCF |

MAILING LIST OF WORKING INTEREST OWNERS
GALLEGOS CANYON UNIT AREA
SAN JUAN COUNTY, NEW MEXICO

American Petrofina Co. of Texas
P. O. Box 2159
Dallas, Texas 75202
Attention: Mr. L. M. Thompson
Prod. Dept.

American Petrofina Co. of Texas
P. O. Box 2159
Dallas, Texas 75202
Attention: Mr. Deewall
Land Dept.

The Atlantic Refining Company (3)
P. O. Box 1978
Roswell, New Mexico 88201

Aztec Oil and Gas Company
2000 First National Bank Building
Dallas, Texas 75202
Attention: Mr. P. R. Watts, Jr.

Mary Roberts Berry
208 East Washington Street
Washington, Iowa 52353

Bloomfield Royalty Corporation
1902 Houston National Gas Building
Houston, Texas 77002

Brookhaven Oil Company
P. O. Box 1267
Scottsdale, Arizona 85252

Olen F. Featherstone
Roswell Petroleum Building
Roswell, New Mexico 88201

A. C. Pegg
P. O. Box 66067
Chicago, Illinois 66066

E. I. Rydin
P. O. Box 8852
Chicago, Illinois 60680

L. B. Hodges
P. O. Box 489
Roswell, New Mexico 88201

Elma R. Jones
c/o R. H. Klinger
P. O. Box 1741
Stockton, California 95201

National Drilling Company, Inc.
4810 North Kenneth Avenue
Chicago, Illinois 60630

Pubco Petroleum Corporation
P. O. Box 1419
Albuquerque, New Mexico 87103

Skelly Oil Company
P. O. Box 730
Hobbs, New Mexico 88240
Attention: Mr. H. E. Aab

Skelly Oil Company
P. O. Box 1650
Tulsa, Oklahoma 74102
Attention: B. W. Ratliff

Southern Union Production Company
Fidelity Union Tower Building
Dallas, Texas 75201
Attention: Mr. L. S. Muennink

Texaco, Inc.
P. O. Box 2100
Denver, Colorado 80202

Texas Pacific Oil Company
P. O. Box 747
Dallas, Texas 75221
Attention: Mr. L. B. Jeffers

Rip C. Underwood
Box 2588
First National Bank Building
Amarillo, Texas 79101

Wood Oil Company
Room 800 - Midstates Building
Tulsa, Oklahoma 74103

El Paso Natural Gas Company
P. O. Box 1492
El Paso, Texas 79999
Attention: Land Dept.

Mr. R. D. Fitting
504 Vaughn Building
Midland, Texas 79701

Mr. J. R. Jones
711 Petroleum Life Building
Midland, Texas 79701

MAILING LIST OF WORKING INTEREST OWNERS
GALLEGOS CANYON UNIT AREA
SAN JUAN COUNTY, NEW MEXICO

Mr. Arthur B. Johnson
1114 Laurel Drive
Lafayette, California 94549

Mr. Harold K. Johnson
1118 Laurel Drive
Lafayette, California 94549

Miss Marie C. Anderson
372 Euclid Avenue
Oakland, California 94610

Miss Agnes L. Fulsaa
1903 Adams Court
Mountain View, California 94040

Mr. J. J. Christmann
Great Plains Building
Lubbock, Texas 79401

Estate of Ralph Fitting, Jr.
P. O. Box 782
Midland, Texas 79701

Redfern & Herd, Inc.
P. O. Box 1747
Midland, Texas 79701

Sun Oil Company, DX Division
1101 Wilco Building
Midland, Texas 79701
Attention: Mr. V. N. Williams

Mr. J. Markham
Great Plains Building
Lubbock, Texas 79401



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Drawer 1857
Roswell, New Mexico 88201

IN REPLY REFER TO:

247

March 13, 1969

Pan American Petroleum Corporation
Security Life Building
Denver, Colorado 80202

Attention: Mr. T. M. Curtis

Gentlemen:

Your 1969 plan of development for the Gallegos Canyon unit area, San Juan County, New Mexico, proposing the drilling of no additional wells, has been approved on this date subject to like approval by the appropriate State officials.

Three approved copies of the plan are enclosed.

Sincerely yours,

(ORIG. SED.) CARL C. TRAYWICK

CARL C. TRAYWICK
Acting Oil and Gas Supervisor

cc:
Washington (w/cy of plan)
Farmington (w/cy of plan)
NMOCC, Santa Fe (ltr. only) ✓
Com. of Pub. Lands, Santa Fe (ltr. only)

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

February 6, 1969

247

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Pan American Petroleum Corporation
Security Life Building
Denver, Colorado 80202

Attention: Mr. T. M. Curtis

Re: 1969 Plan of Development
Gallegos Canyon Unit, San
Juan County, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the 1969 Plan of Development for the Gallegos Canyon Unit, San Juan County, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Two approved copies of the plan are returned herewith.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/JEK/og
Enclosures

cc: Commissioner of Public Lands
Santa Fe, New Mexico

United States Geological Survey
Roswell, New Mexico

69 JAN 28 AM 8 09

January 27, 1969

Pan American Petroleum Corporation
Security Life Building
Denver, Colorado 80202

Re: 1969 Plan of Development
Gallegos Canyon Unit
San Juan County, New Mexico

ATTENTION: Mr. T. M. Curtis

Gentlemen:

The Commissioner of Public Lands has this date approved your 1969 Plan of Development for the Gallegos Canyon Unit, San Juan County, New Mexico, subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

One approved copy of the plan is enclosed herewith.

Very truly yours,

ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

BY:
Ted Bilberry, Director
Oil and Gas Department

AJA/TE/ML/s
encl.

cc: USGS-Roswell, New Mexico
OCC - Santa Fe, New Mexico

PAN AMERICAN PETROLEUM CORPORATION

PRODUCING DEPARTMENT
H. T. HUNTER
DIVISION PRODUCTION
MANAGER

SECURITY LIFE BUILDING
DENVER, COLORADO 80202

69 JAN 24 1969

DISTRICT SUPERINTENDENTS
W. M. JONES
A. E. PIPER
T. M. CURTIS
JOINT INTEREST
SUPERINTENDENT
S. B. RICHARDS

January 21, 1969

File: TMC-21-416

Re: 1969 Plan of Development
Gallegos Canyon Unit
San Juan County, New Mexico

Director (6)
United States Geological Survey
P. O. Drawer 1857
Roswell, New Mexico 88201

Commissioner of Public Lands (3)
The State of New Mexico
State Land Office Building
Santa Fe, New Mexico 87501

Oil Conservation Commission of (3)
The State Of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

All Working Interest Owners
Gallegos Canyon Unit
(See Attached Addressee List)

Gentlemen:

In compliance with Section 9 of the Gallegos Canyon Unit Agreement dated November 1, 1950, designated I-Sec. No. 844, Pan American Petroleum Corporation, as Unit Operator, respectfully submits for your approval a Plan of Development for the calendar year of 1969. The proposed plan has been approved by the Working Interest Owners as provided by the Unit Operating Agreement.

History of Past Development - There has been a total of 253 wells drilled in the Gallegos Canyon Unit. Of these, 61 are Pictured Cliffs producers, 3 are Gallup-Dakota duals, 125 are single Dakotas, 24 are Gallup oil, 1 is a Gallup gas, 6 are Fruitland completions, 25 wells are dry holes and abandoned and 8 are water injectors.

Participating areas have been formed for the Pictured Cliffs, Dakota, four separate Gallup pools and the Fruitland formation. Two water injection projects are in operation on acreage comprising Gallup Areas "C" and "D".

During 1968, two Dakota wells were successfully completed. These wells, Unit Nos. 262 and 263, tested 3400 MCFD and 6150 MCFD, respectively, on completion.

The attached tabulation furnishes a statistical review of operations in the Gallegos Canyon Unit.

Proposed Additional Wells - The Dakota development program is now essentially complete.

No other development in the Gallup, Pictured Cliffs or Fruitland is anticipated at this time.

January 21, 1969

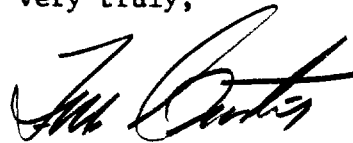
Offset Obligation - Appropriate measures will be taken to prevent drainage of unitized substances from lands subject to the Gallegos Canyon Unit Agreement or, pursuant to applicable regulations, fair and reasonable compensatory royalty will be paid as provided in Section 15 of the Unit Agreement.

Further Development - This Plan of Development shall constitute the drilling obligation of the Unit Operator under terms of the Gallegos Canyon Unit Agreement for the period ending December 31, 1969.

Modifications - It is understood that this plan is dependent upon certain information to be obtained prior to and subsequent to drilling; therefore, it may be modified from time to time to meet changing conditions.

Effective Date - This Plan of Development shall be effective January 1, 1969.


Yours very truly,



Attachments

APPROVED: _____ DATE: _____
Director, United States Geological Survey
(Subject to like approval by appropriate
State Officials)

APPROVED: _____ DATE: _____
Commissioner of Public Lands
(Subject to like approval by U.S.G.S.
and Oil Conservation Commission)

APPROVED:  DATE: Feb. 6, 1969
Oil Conservation Commission
(Subject to like approval by U.S.G.S.
and Commissioner of Public Lands)

GALLEGOS CANYON UNIT
WORKING INTEREST OWNERS

American Petrofina Company of Texas
P. O. Box 2159
Dallas, Texas 75202
Attn: Mr. Deewall, Land Department

American Petrofina Company of Texas
P. O. Box 2159
Dallas, Texas 75202
Attn: Mr. L. M. Thompson, Prod. Dept.

The Atlantic Refining Company (3)
P. O. Box 1978
Roswell, New Mexico

Aztec Oil & Gas Company
2000 First National Bank Building
Dallas, Texas 75202
Attn: Mr. H. L. Snider, Jr.

Mary Roberts Berry
208 E. Washington Street
Washington, Iowa 52353

Bloomfield Royalty Corporation
916 San Jacinto Building
Houston, Texas 77002

Brookhaven Oil Company
P. O. Box 1267
Scottsdale, Arizona 85252

B. H. and Dyvena Crawford
Bloomfield, New Mexico 87413

El Paso Natural Gas Company
P. O. Box 1492
El Paso, Texas 79999
Attn: Land Department

Olen F. Featherstone
Roswell Petroleum Building
Roswell, New Mexico 88201

E. A. Hanson
P. O. Box 1515
Roswell, New Mexico 88201

Skelly Oil Company
P. O. Box 1650
Tulsa, Oklahoma 74101
Attn: Mr. B. W. Ratliff

L. B. Hodges
P. O. Box 489
Roswell, New Mexico 88201

Arthur B. Johnson
1114 Laurel Drive
Lafayette, California 94549

Harold K. Johnson
1118 Laurel Drive
Lafayette, California 94549

Marie C. Anderson
357 Vernon Street
Oakland, California 94610

Agnes L. Fulsas
1903 Adams Court
Mountain View, California 94040

Elma R. Jones
c/o R. H. Klinger
P. O. Box 1741
Stockton, California 95201

Locke-Taylor Drilling Company
801 Second Avenue
Durango, Colorado 81301

A. C. Pegg
P. O. Box 66067
Chicago, Illinois 66066

E. I. Rydin
P. O. Box 66067
Chicago, Illinois 66066

National Drilling Company, Inc.
4810 North Kenneth Avenue
Chicago, Illinois 60630

Pubco Petroleum Corporation
P. O. Box 1419
Albuquerque, New Mexico 87103

John J. Christman
Great Plains Building
Lubbock, Texas 79401

Skelly Oil Company
P. O. Box 730
Hobbs, New Mexico 88240
Attn: Mr. H. E. Aab

Texaco, Inc.
P. O. Box 2100
Denver, Colorado 80202

Wood Oil Company
Room 800 Midstates Building
Tulsa, Oklahoma 74103

Jack Markham
Great Plains Building
Lubbock, Texas 79401

Robert D. Fitting
504 Vaughn Building
Midland, Texas 79701

Redfern & Herd
P. O. Box 1747
Midland, Texas 79701

Southern Union Production Company
Fidelity Union Tower Building
1507 Pacific Avenue
Dallas, Texas 75201
Attn: Mr. A. M. Wiederkehr

Sun Oil Company, DX Division
1101 Wilco Building
Midland Texas 79701
Attn: Mr. D. N. Williams

Texas Pacific Oil Company
P. O. Box 747
Dallas, Texas 75221

M. H. and Eula Stark
Route 3
Farmington, New Mexico 87401

J. Robert Jones
711 Petroleum Life Building
Midland, Texas 79701

Estate of Ralph Fitting
P. O. Box 782
Midland, Texas 79701

Rip C. Underwood
P. O. Box 2588
First National Bank Building
Amarillo, Texas 79101

STATISTIC REVIEW OF OPERATIONS
GALLEGOS CANYON UNIT

December 1, 1968

| | |
|----------------------------------|-----------------|
| Total wells drilled in Unit area | 253 |
| Total Unit acreage | 43,146.82 acres |

Pictured Cliffs Statistics

| | |
|------------------------------------|-----------------|
| Pictured Cliffs Participating Area | 27,496.46 acres |
| Total wells drilled | 78 |
| Producing wells | 60 |
| Current production: | |
| October 1968 | 60,835 MCF |
| November 1968 | 80,980 MCF |
| Cumulative production to 12/1/68 | 35,490,187 MCF |

Dakota Statistics

| | |
|----------------------------------|------------------------|
| Dakota Participating Area | 43,146.62 acres |
| Total wells drilled | 130 (includes 2 duals) |
| Producing wells | 128 (includes 4 duals) |
| Current production: | |
| October 1968 | 3,328,806 MCF |
| November 1968 | 3,782,861 MCF |
| Cumulative production to 12/1/68 | 114,894,504 MCF |

Gallup Statistics

| | |
|--|--|
| Gallup Participating Area "A" | 880 acres |
| Gallup Participating Area "B" | 715.40 acres |
| Gallup Participating Area "C" | 2,148.75 acres |
| Gallup Participating Area "D" | 2,396.88 acres |
| Producing Wells (includes 13 Non-Commercial) | 28 (includes 3 duals, & 1 Gallup gas) |
| Total wells drilled | 43 |
| Current production: | |
| October 1968 | 6,777 Bbls. |
| November 1968 | 7,021 Bbls. |
| Cumulative production to 12/1/68 | 1,755,273 Bbls. |

Fruitland Statistics

| | |
|---|----------------|
| Fruitland Participating Area | 1,275.68 acres |
| Total wells drilled | 6 |
| Producing wells (includes 1 Non-Commercial) | 6 |
| Current production: | |
| October 1968 | 46,606 MCF |
| November 1968 | 51,453 MCF |
| Cumulative production to 12/1/68 | 1,328,776 MCF |

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

247

July 24, 1968

Pan American Petroleum Corporation
Security Life Building
Denver, Colorado 80202

Attention: Mr. T. M. Curtis

Re: 1968 Plan of Development,
Gallegos Canyon Unit,
San Juan County, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the 1968 Plan of Development for the Gallegos Canyon Unit, San Juan County, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

One approved copy of the plan is returned herewith.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/JEK/og

cc: United States Geological Survey - Roswell
Commissioner of Public Lands - Santa Fe

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UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Drawer 1857
Roswell, New Mexico 88201

April 29, 1968

Pan American Petroleum Corporation
Security Life Building
Denver, Colorado 80202

Attention: Mr. T. M. Curtis

Gentlemen:

Your 1968 plan of development for the Gallegos Canyon unit area, San Juan County, New Mexico, proposing the drilling of no additional wells has been approved on this date subject to like approval by the appropriate State officials.

Three approved copies of the plan are enclosed.

Sincerely yours,

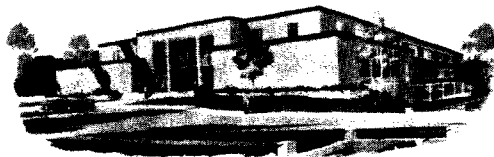
(ORIG. SGD.) CARL C. TRAYWICK

CARL C. TRAYWICK
Acting Oil & Gas Supervisor

cc:
Washington (w/cy. of plan)
Farmington (w/cy. of plan)
NMOCC - Santa Fe (ltr. only) ✓
Com. of Public Lands - Santa Fe (ltr. only)

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State of New Mexico



Commissioner of Public Lands



GUYTON B. HAYS
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO

April 4, 1968

Pan American Petroleum Corporation
Security Life Building
Denver, Colorado 80202

MAILED 11
1968 APR 5 AM 8 38

Re: Gallegos Canyon Unit
San Juan County, New Mexico
1968 Plan of Development

ATTENTION: Mr. T. M. Curtis

Gentlemen:

The Commissioner of Public Lands has this date approved your 1968 Plan of Development for the Gallegos Canyon Unit, San Juan County, New Mexico, subject to like approval by the United States Geological Survey and the New Mexico Oil Conservation Commission.

One approved copy of the plan is enclosed herewith.

Very truly yours,

GUYTON B. HAYS
COMMISSIONER OF PUBLIC LANDS
BY:
Eddie Lopez, Supervisor
Unit Division

GBH/TA/EL/s
encl. 1.

cc: USGS-Roswell, New Mexico
OCC- Santa Fe, New Mexico

PAN AMERICAN PETROLEUM CORPORATION

SECURITY LIFE BUILDING

DENVER, COLORADO 80202

PRODUCING DEPARTMENT
H. T. HUNTER
DIVISION PRODUCTION
MANAGER

DISTRICT SUPERINTENDENTS
W. M. JONES
A. E. PIPER
T. M. CURTIS
JOINT INTEREST
SUPERINTENDENT
S. B. RICHARDS

March 4, 1968

File: TMC-82-416

Re: 1968 Plan of Development
Gallegos Canyon Unit
San Juan County, New Mexico

Director (6)
United States Geological Survey
P. O. Drawer 1857
Roswell, New Mexico 88201

Commissioner of Public Lands (3)
The State of New Mexico
State Land Office Building
Santa Fe, New Mexico 87501

Oil Conservation Commission of (3)
The State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

All Working Interest Owners
Gallegos Canyon Unit
(See Attached Addressee List)

Gentlemen:

In compliance with Section 9 of the Gallegos Canyon Unit Agreement dated November 1, 1950, designated I-Sec. No. 844, Pan American Petroleum Corporation, as Unit Operator, respectfully submits for your approval a Plan of Development for the calendar year of 1968. The proposed plan has been approved by the Working Interest Owners as provided by the Unit Operating Agreement.

History of Past Development - There has been a total of 251 wells drilled in the Gallegos Canyon Unit. Of these, 61 are Pictured Cliffs producers, 3 are Gallup-Dakota duals, 123 are single Dakotas, 24 are Gallup oil, 1 is a Gallup gas, 6 are Fruitland completions, 25 wells are dry holes and abandoned, and 8 are water injectors.

Participating areas have been formed for the Pictured Cliffs, Dakota, four separate Gallup pools and the Fruitland formation. Two water injection projects are in operation on acreage comprising Gallup Areas "C" and "D".

During 1967, four water injection wells were drilled and completed in Gallup Area "D" and injections were begun on May 24, 1967. This area contains 5 Gallup producing wells.

The initial Fruitland participating area and the first, second, and third revisions thereof were approved during 1967. One Fruitland well was completed during 1967.

The attached tabulation furnishes a statistical review of operations in the Gallegos Canyon Unit.

68 MAR 11 AM 8 13

TMC-82-416
Page 2
March 4, 1968

Proposed Additional Wells - The Dakota development program is now essentially complete. Evaluation of the remaining locations is underway and these will be submitted if deemed necessary and economical.

No other development in the Gallup, Pictured Cliffs or Fruitland is anticipated at this time.

Well Casing Program - The well casing program will generally follow current programs used in similar wells in the San Juan Basin. Included will be surface casing and other casing as required by the United States Geological Survey and the State of New Mexico.

Offset Obligation - Appropriate measures will be taken to prevent drainage of unitized substances from lands subject to the Gallegos Canyon Unit Agreement, or, pursuant to applicable regulations, fair and reasonable compensatory royalty will be paid as provided in Section 15 of the Unit Agreement.

Further Development - This Plan of Development shall constitute the drilling obligation of the Unit Operator under terms of the Gallegos Canyon Unit Agreement for the period ending December 31, 1968.

Modifications - It is understood that this plan is dependent upon certain information to be obtained prior to and subsequent to drilling; therefore, it may be modified from time to time to meet changing conditions.

Effective Date - This Plan of Development shall be effective January 1, 1968.

Yours very truly,



Attachments

APPROVED: _____ DATE: _____
Director, United States Geological Survey
(Subject to like approval by appropriate
State Officials)

APPROVED: _____ DATE _____
Commissioner of Public Lands
(Subject to like approval by U.S.G.S. and
Oil Conservation Commission)

APPROVED: A. L. Porter, Jr. DATE July 24, 1968
Oil Conservation Commission
(Subject to like approval by U.S.G.S. and
Commissioner of Public Lands)

MAILING LIST OF WORKING INTEREST OWNERS
GALLEGOS CANYON UNIT AREA
SAN JUAN COUNTY, NEW MEXICO

American Petrofina Co. of Texas
P. O. Box 2159
Dallas, Texas 75202
Attn: Mr. Deewall, Land Dept.

American Petrofina Co. of Texas
P. O. Box 2159
Dallas, Texas 75202
Attn: Mr. L. M. Thompson, Prod. Dept.

The Atlantic Refining Co. (3)
P. O. Box 1978
Roswell, New Mexico 88201

Aztec Oil & Gas Company
2000 First National Bank Building
Dallas, Texas 75202
Attn: Mr. H. L. Snider, Jr.

Mary Roberts Berry
208 E. Washington Street
Washington, Iowa 52353

Bloomfield Royalty Corporation
916 San Jacinto Building
Houston, Texas 77002

Brookhaven Oil Company
P. O. Box 1267
Scottsdale, Arizona 85252

B. H. and Dyvena Crawford
Bloomfield, New Mexico 87413

El Paso Natural Gas Company
P. O. Box 1492
El Paso, Texas 79999
Attn: Land Department

Olen F. Featherstone
Roswell Petroleum Building
Roswell, New Mexico 88201

E. A. Hanson
P. O. Box 1515
Roswell, New Mexico 88201

L. B. Hodges
P. O. Box 489
Roswell, New Mexico 88201

Arthur B. Johnson
1114 Laurel Drive
Lafayette, California 94549

Harold K. Johnson
1118 Laurel Drive
Lafayette, California 94549

Marie C. Anderson
357 Vernon Street
Oakland California 94610

Agnes L. Fulsaas
1903 Adams Court
Mountain View, California 94040

Elma R. Jones
c/o R. H. Klinger
P. O. Box 1741
Stockton, California 95201

Locke-Taylor Drilling Company
801 Second Avenue
Durango, Colorado 81301

A. C. Pegg
P. O. Box 66067
Chicago, Illinois 66066

E. I. Rydin
P. O. Box 8852
Chicago, Illinois 60680

National Drilling Company, Inc.
4810 North Kenneth Avenue
Chicago, Illinois 60630

Pubco Petroleum Corporation
P. O. Box 1419
Albuquerque, New Mexico 87103

Skelly Oil Company
P. O. Box 1650
Tulsa, Oklahoma 74101
Attn: Mr. B. W. Ratliff

Skelly Oil Company
P. O. Box 730
Hobbs, New Mexico 88240
Attn: Mr. H. E. Aab

Southern Union Production Company
Fidelity Union Tower Building
1507 Pacific Avenue
Dallas, Texas 75201
Attn: Mr. A. M. Wiederkehr

Sunray DX Oil Company
1101 Wilco Building
Midland, Texas 79701
Attn: Mr. D. N. Williams

Texaco, Inc.
P. O. Box 2100
Denver, Colorado 80202

Texas Pacific Oil Company
P. O. Box 747
Dallas, Texas 75221

Rip C. Underwood
P. O. Box 2588
First National Bank Building
Amarillo, Texas 79101

Wood Oil Company
Room 800 Midstates Building
Tulsa, Oklahoma 74103

M.H. and Eula Stark
Route 3
Farmington, New Mexico 87401

John J. Christmann
Great Plains Building
Lubbock, Texas 79401

Jack Markham
Great Plains Building
Lubbock, Texas 79401

J. Robert Jones
711 Petroleum Life Building
Midland, Texas 79701

Robert D. Fitting
504 Vaughn Building
Midland, Texas 79701

Estate of Ralph Fitting
P. O. Box 782
Midland, Texas 79701

Redfern & Herd
P. O. Box 1747
Midland, Texas 79701

STATISTICAL REVIEW OF OPERATIONS

GALLEGOS CANYON UNIT

DECEMBER 1, 1967

| | |
|----------------------------------|-----------------|
| Total wells drilled in Unit area | 251 |
| Total Unit acreage | 43,146.82 acres |

Pictured Cliffs Statistics

| | |
|------------------------------------|-----------------|
| Pictured Cliffs Participating Area | 27,496.46 acres |
| Total wells drilled | 78 |
| Producing wells | 61 |
| Current production: | |
| October 1967 | 68,061 MCF |
| November 1967 | 47,595 MCF |
| Cumulative production to 12/1/67 | 34,423,591 MCF |

Dakota Statistics

| | |
|----------------------------------|------------------------|
| Dakota Participating Area | 43,146.62 acres |
| Total wells drilled | 128 (includes 2 duals) |
| Producing wells | 127 (includes 3 duals) |
| Current production: | |
| October 1967 | 994,724 MCF |
| November 1967 | 1,723,541 MCF |
| Cumulative production to 12/1/67 | 76,749,768 MCF |

Gallup Statistics

| | |
|--|--|
| Gallup Participating Area "A" | 880 acres |
| Gallup Participating Area "B" | 715.40 acres |
| Gallup Participating Area "C" | 2,148.75 acres |
| Gallup Participating Area "D" | 2,396.88 acres |
| Producing Wells (includes 13 Non-Commercial) | 28 (includes 3 duals, & 1 Gallup gas) |
| Total wells drilled | 39 |
| Current production: | |
| October 1967 | 8,224 Bbls. |
| November 1967 | 7,228 Bbls. |
| Cumulative production to 12/1/67 | <u>1,682,121 Bbls.</u> |

Fruitland Statistics

| | |
|---|--------------------|
| Fruitland Participating Area | 1,275.68 acres |
| Total wells drilled | 86 |
| Producing wells (includes 1 Non-Commercial) | 26 |
| Current production: | |
| October 1967 | 68,948 MCF |
| November 1967 | 46,785 MCF |
| Cumulative production to 12/1/67 | <u>656,105 MCF</u> |

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

247

April 2, 1968

C
O
P
Y

Pan American Petroleum Corporation
Security Life Building
Denver, Colorado

Attention: Mr. T. M. Curtis

Re: Non-Commercial Determination
Gallegos Canyon Unit Well No.
82, San Juan County, New Mexico

Gentlemen:

The New Mexico Oil Conservation Commission concurs with your determination that Gallegos Canyon Unit Well No. 82 is not capable of producing in paying quantities under the conditions set forth in your letter dated February 1, 1968. The approval of non-commercial determination is subject to like approval by the United States Geological Survey.

Two approved copies of the determination are returned herewith.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/JEK/eg

cc: United States Geological Survey - Roswell
Commissioner of Public Lands - Santa Fe



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Drawer 1857
Roswell, New Mexico 88201

February 15, 1968

Pan American Petroleum Corp.
Security Life Building
Denver, Colorado 80202

Gentlemen:

Your notice of February 1 advises that as operator of the Gallegos Canyon unit, San Juan County, New Mexico, you have determined that unit well No. 82 in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ sec. 28, T. 29 N., R. 12 W., N.M.P.M. is not capable of producing unitized substances in paying quantities from the Fruitland formation. Such well is located on fee land but within a proration unit including Federal leases Santa Fe 078209-B and 078209-D.

Unit well No. 82 was completed as a nonproductive pictured Cliffs well in 1957. It was subsequently recompleted in the Fruitland formation in 1966 and tested August 30, 1966, for an initial absolute open flow potential of 1,472 MCF of gas per day from the interval 950 - 964 feet. Cumulative production from the well was 14,107 MCF through December 1967 with December production averaging 33 MCF per producing day. Your plot of cumulative gas production versus shut in pressure indicates an ultimate recovery of 47,037 MCF of gas, while 200,000 MCF would be required to pay the cost of a well to this depth.

This office concurs with your determination that the well is not capable of producing unitized substances in paying quantities under existing conditions, subject to like concurrence from the New Mexico Oil Conservation Commission. MAIN OFFICE - 000

Sincerely yours,

'68 FEB 19 AM 8 1

(LNG. SEC.) CARL C. TRAYWICK

CARL C. TRAYWICK
Acting Oil and Gas Supervisor

cc:
Washington (w/cy. notice)
Com. of Pub. Lands, Santa Fe (ltr. only)
MOCC, Santa Fe (ltr. only)✓
Farmington (w/cy. notice)
Accounts

PAN AMERICAN PETROLEUM CORPORATION

SECURITY LIFE BUILDING

DENVER, COLORADO 80202

PRODUCING DEPARTMENT
H. T. HUNTER
DIVISION PRODUCTION
MANAGER

February 1, 1968

File: AMR-325-416

Re: Non-Commercial Determination
Gallegos Canyon Unit No. 82
San Juan County, New Mexico

DISTRICT SUPERINTENDENTS
W. M. JONES
A. E. PIPER
T. M. CURTIS

JOINT INTEREST
SUPERINTENDENT
S. B. RICHARDS
60 FEB 12 AM 8 07

Regional Oil and Gas Supervisor (4)
United States Geological Survey
P. O. Drawer 1857
Roswell, New Mexico 88201

Oil Conservation Commission (3)
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

Pan American Petroleum Corporation as Unit Operator of the Gallegos Canyon Unit has determined that the subject well is incapable of producing unitized substances in paying quantities from the Fruitland formation.

Well No. 82 was originally drilled to the Pictured Cliffs formation in 1957. The Pictured Cliffs zone was found to be non-productive and the well was permanently abandoned with the casing being left in the ground. In 1966 the well was re-entered and opened in the Fruitland formation. We have attached hereto a summary of the completion work performed on this well and the production obtained since the well was placed on line in March, 1967.

Because of the low initial producing rate, the steep decline through December, 1967, and the low ultimate recovery anticipated as indicated by the attached plot of shut-in pressure versus cumulative production, Pan American is of the opinion that this well is incapable of producing in paying quantities and should be declared non-commercial. Based on performance to date an ultimate recovery of 47,000 MCF may be expected to an abandonment line pressure of 100 psi. At least 70,000 MCF would be required to pay out the cost of recompleting this well, and a minimum of 200,000 MCF would be necessary to pay for the cost of a new well drilled to this shallow formation.

In accordance with Section 12 of the Unit Agreement of the Gallegos Canyon Unit, Pan American respectfully requests your approval of a non-commercial determination for Gallegos Canyon Well No. 82. Since both Federal and Fee lands are included in the quarter section on which this gas well is located, we are requesting approval of this determination from both the Supervisor and the Conservation Commission as specified in Section 10 of the Unit Agreement. If you approve of this determination, please execute one copy of this letter in the space provided and return to Pan American Petroleum Corporation, Security Life Building, Denver, Colorado.

Yours very truly,

Attachment

Approved: *[Signature]*Date: *[Signature]*

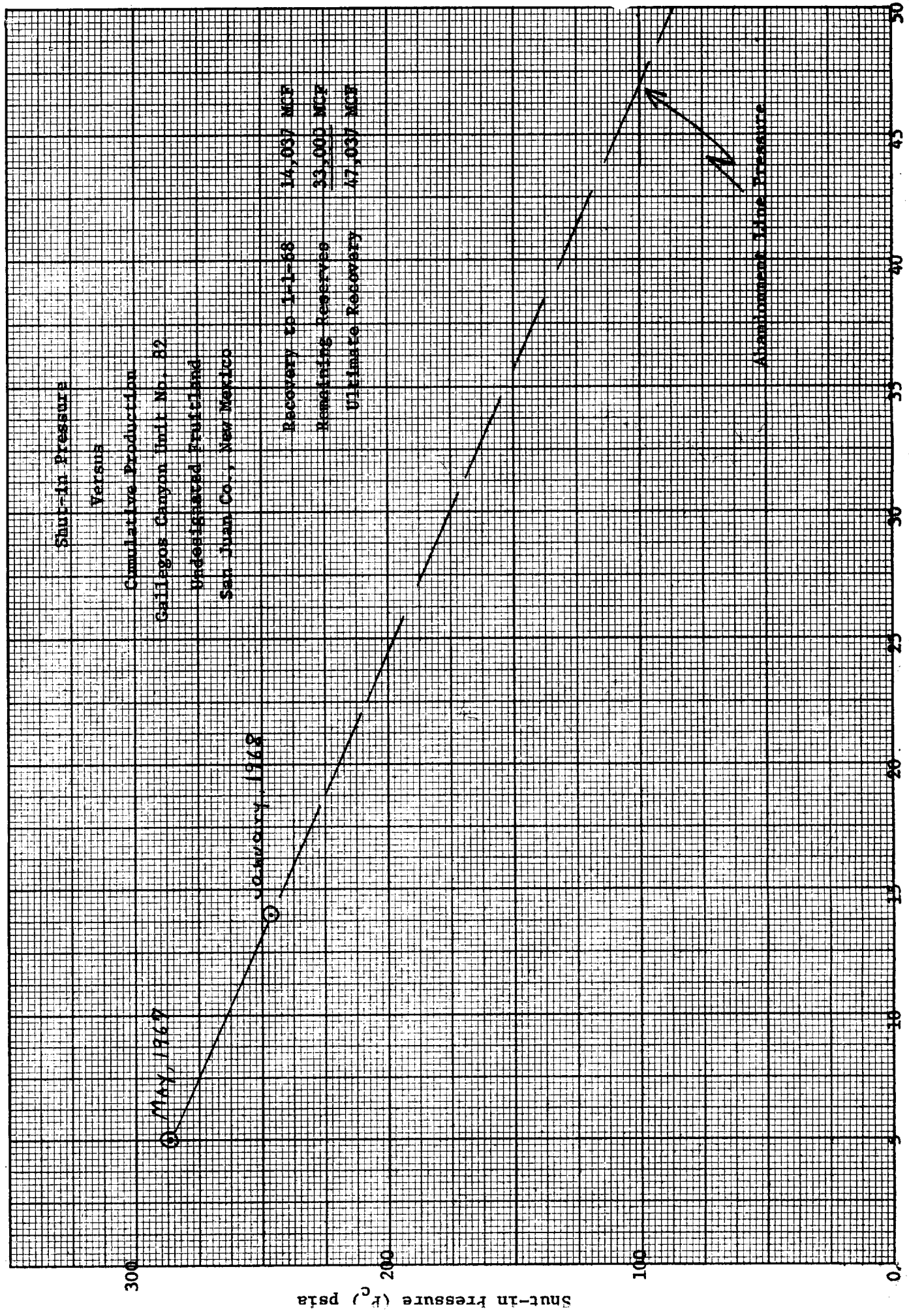

COMPLETION AND PRODUCTION DATA
GALLEGOS CANYON UNIT NO. 82
UNDESIGNATED FRUITLAND

Completion:

1. Drilled out surface plug and cleaned out casing to 1100' (PBD).
2. Perforated Fruitland 950'-964' and sand-water fraced with 18,438 gallons of water and 20,000 pounds of sand at 71 barrels per minute.
3. Preliminary 3 hour test 8-30-66 gauged 900 MCFD with 3/4" choke, CPF 75 and TPC 85.
4. Nine day shut-in pressure measured 399 psia and well potentialied for 1472 AOF.
5. During 1967 deliverability test from 4-22-67 to 5-7-67 well flowed 87 MCFD (Q) against 200 psia wellhead pressure (P_w). Seven day shut-in pressure was 287 psia (P_c).
6. Seven day shut-in pressure on 1-1-68 was 247 psia (P_c).

Production:

| <u>Month</u> | <u>Total MCF</u> | <u>Days</u> | <u>MCFD</u> |
|--------------|------------------|-------------|-------------|
| March, 1967 | 1,463 | 6 | 245 |
| April | 3,556 | 30 | 118 |
| May | 1,480 | 18 | 82 |
| June | 1,405 | 24 | 58 |
| July | 1,535 | 32 | 48 |
| August | 661 | 19 | 35 |
| September | 992 | 14 | 66 |
| October | 1,163 | 19 | 61 |
| November | 829 | 23 | 36 |
| December | <u>1,023</u> | 31 | 33 |
| | 14,037 | | |





IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Drawer 1857
Roswell, New Mexico 88201

December 26, 1967

247

Pan American Petroleum Corporation
Security Life Building
Denver, Colorado 80202

MAIN OFFICE 311

'67 DEC 28 PM 1 21

Attention: Mr. S. B. Richards

Gentlemen:

The initial Fruitland participating area and first, second, and third revisions thereof, Gallagos Canyon unit agreement, San Juan County, New Mexico, were approved by the Acting Director, Geological Survey, on December 15, 1967, effective as of June 14, 1966; October 1, 1966; January 1, 1967; and May 1, 1967, respectively.

Nine approved copies of the application are enclosed. You are requested to furnish the State of New Mexico and any other interested party with appropriate evidence of this approval.

Sincerely yours,

(ORIG. SGD.) JOHN A. ANDERSON

JOHN A. ANDERSON
Regional Oil and Gas Supervisor

cc:
Washington (ltr. only)
Farmington (w/cy approved appln.)
NMOCC - Santa Fe (ltr. only) ✓
Com. of Pub. Lands - Santa Fe (ltr. only)

OIL CONSERVATION COMMISSION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

247
12 Copies mailed
were U.S. Air
to Roswell

November 20, 1967

C
Pan American Petroleum Corporation
Security Life Building
Denver, Colorado 80202

Re: Initial Participating Area
and Three Enlargements,
Fruitland Formation
Gallegos Canyon Unit
San Juan County, New Mexico

Attention: Mr. S. B. Richards

P
Gentlemen:

Y
This is to advise that the New Mexico Oil Conservation Commission has this date approved the Initial Participating Area and First, Second, and Third Enlargements, Fruitland Formation, for the Gallegos Canyon Unit, San Juan County, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Twelve approved copies of the application are being forwarded to the United States Geological Survey, Roswell, New Mexico.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/JEK/ir

cc: Commissioner of Public Lands
Santa Fe, New Mexico

United States Geological Survey
Drawer 1857
Roswell, New Mexico 88201

State of New Mexico



Commissioner of Public Lands

GUYTON B. HAYS
COMMISSIONER



November 20, 1967

P. O. BOX 1148
SANTA FE, NEW MEXICO

Pan American Petroleum Corporation
Security Life Building
Denver, Colorado 80202

Re: Proposed Initial Participating
Area and First, Second and
Third Enlargements for the
Fruitland Formation
Gallegos Canyon Unit
San Juan County, New Mexico

ATTENTION: Mr. S. B. Richards

Gentlemen:

The Commissioner of Public Lands has this date approved the captioned Participating Areas, in lieu of the one previously filed, for the Gallegos Canyon, Unit, San Juan County, New Mexico this approval being subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

We are retaining one copy and handing twelve (12) copies to the Oil Conservation Commission for their approval and requesting that they forward eleven (11) copies to the United States Geological Survey for their consideration.

Very truly yours,

GUYTON B. HAYS
COMMISSIONER OF PUBLIC LANDS
BY:

Ted Bilberry, Director
Oil and Gas Department

GBH/TB/EL/s

cc: USGS-Roswell, New Mexico
OCC- Santa Fe, New Mexico

OCC copy

PAN AMERICAN PETROLEUM CORPORATION

SECURITY LIFE BUILDING

DENVER, COLORADO 80202

PRODUCING DEPARTMENT
H. T. HUNTER
DIVISION PRODUCTION
MANAGER

November 10, 1967

File: AMR-2410-416

DISTRICT SUPERINTENDENTS
W. M. JONES
A. E. PIPER
T. M. CURTIS
JOINT INTEREST
SUPERINTENDENT
S. B. RICHARDS

Re: Proposed Initial Participating Area
and First, Second and Third Enlarge-
ments for the Fruitland Formation
Gallegos Canyon Unit
San Juan County, New Mexico

Commissioner of Public Lands
State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

Dear Sir:

Attached herewith is Pan American Petroleum Corporation's proposed participating area for the Fruitland formation in the Gallegos Canyon Unit. If this proposal meets with your approval, please execute all copies and send them to the Oil Conservation Commission of the State of New Mexico.

Our previous application, dated February 16, 1967 was returned by the Geological Survey with a request for establishment of an initial 320 acre participating area effective on completion of Well No. 220 and additional 320 acre enlargements effective the first day of the month following completion of each of the subsequent wells, Nos. 255, 256, and 261.

By copy of this letter to the Oil Conservation Commission, we request that upon their approval, they in turn execute all copies and send them to the Oil and Gas Supervisor, United States Geological Survey.

By copy of this letter to the United States Geological Survey, we request that upon approval, they return to Pan American Petroleum Corporation, Security Life Building, Denver, Colorado 80202, Attention: Mr. S. B. Richards, four fully executed copies. We will then transmit one fully signed copy of the proposal to the Commissioner of Public Lands and to the Oil Conservation Commission. In this manner, the files for each agency will be complete.

Yours very truly,



Attachments

cc: Oil Conservation Commission
Santa Fe, New Mexico

Regional Oil & Gas Supervisor
United States Geological Survey
Roswell, New Mexico

PAN AMERICAN PETROLEUM CORPORATION

SECURITY LIFE BUILDING

DENVER, COLORADO 80202

PRODUCING DEPARTMENT
H. T. HUNTER
DIVISION PRODUCTION
MANAGER

November 10, 1967

File: AMR-2411-986.511

DISTRICT SUPERINTENDENTS

W. M. JONES
A. E. PIPER
T. M. CURTIS

JOINT INTEREST
SUPERINTENDENT
S. B. RICHARDS

Re: Application for Approval of Initial
Participating Area and First, Second
and Third Enlargements for the
Fruitland Formation, Gallegos Canyon
Unit, San Juan County, New Mexico

Director (6)
United States Geological Survey
Washington 25, D. C.

THROUGH:

Regional Oil & Gas Supervisor
United States Geological Survey
P. O. Box 1857
Roswell, New Mexico

Commissioner of Public Lands (3)
State of New Mexico
Capital Annex Building
Santa Fe, New Mexico

All Working Interest Owners
Gallegos Canyon Unit
(See Attached Addressee List)

Oil Conservation Commission (3)
State of New Mexico
Capital Annex Building
Santa Fe, New Mexico

Gentlemen:

Pan American Petroleum Corporation, as Unit Operator for the Gallegos Canyon Unit Agreement, approved by the Director of the U. S. Geological Survey, effective July 25, 1951, pursuant to the provisions of Section 10 thereof, respectfully submits for the approval of said Director the selection of the following described lands to constitute the Initial Participating Area and First, Second, and Third Enlargements thereof for the Fruitland Formation, to wit:

| | |
|-----------------------------|------------------------------|
| Initial Participating Area: | E/2 Section 13 - T28N - R12W |
| First Enlargement | W/2 Section 18 - T28N - R11W |
| Second Enlargement : | W/2 Section 13 - T28N - R12W |
| Third Enlargement : | E/2 Section 18 - T28N - R11W |

| <u>Area</u> | <u>Effective Date</u> | <u>Acres In Revision</u> | <u>Total Acres</u> |
|-----------------|-----------------------|--------------------------|--------------------|
| Initial | June 14, 1966 | 320 | 320 |
| 1st Enlargement | October 1, 1966 | 315.68 | 635.68 |
| 2nd Enlargement | January 1, 1967 | 320 | 955.68 |
| 3rd Enlargement | May 1, 1967 | 320 | 1275.68 |

November 10, 1967

In support of this application, the following items are attached hereto and made a part hereof:

1. An ownership map showing the boundaries of the Unit Area and the proposed Participating Areas.
2. Schedules showing the lands entitled to participation in the unitized substances produced from the Fruitland formation, with the percentage of participation of each tract indicated thereon.
3. A geological and engineering report supporting and justifying selection of the Participating Areas.

The Participating Areas and their proposed effective dates are predicated upon the knowledge and information obtained on the completion in paying quantities of Unit Wells Nos. 220, 255, 256, and 261.

Applicant respectfully requests that the Director approve the herein above selection of lands.

Dated this 10th day of November, 1967.

Respectfully submitted,

PAN AMERICAN PETROLEUM CORPORATION



Attachments

APPROVED

Director, United States Geological
Survey (Subject to like approval by
appropriate State officials)


Date _____

APPROVED

Commissioner of Public Lands
(Subject to like approval of USGS
and Oil Conservation Commission)

Date _____

APPROVED



Oil Conservation Commission
(Subject to like approval of USGS
and Commissioner of Public Lands)

Date Nov. 20, 1967

MAILING LIST FOR GALLEGOS CANYON UNIT AREA
SAN JUAN COUNTY, NEW MEXICO

American Petrofina Co. of Texas
P. O. Box 2159
Dallas, Texas
Attn: Mr. L. M. Thompson, Prod. Dept.

American Petrofina Co. of Texas
P. O. Box 2159
Dallas, Texas
Attn: Mr. Deewall, Land Dept.

The Atlantic Richfield Co. (3)
P. O. Box 1978
Roswell, New Mexico

Aztec Oil & Gas Company
2000 First National Bank Bldg.
Dallas, Texas
Attn: Mr. P. R. Watts, Jr.

Mary Roberts Berry
208 E. Washington Street
Washington, Iowa

Bloomfield Royalty Corporation
916 San Jacinto Building
Houston, Texas

Brookhaven Oil Company
P. O. Box 1267
Scottsdale, Arizona

El Paso Natural Gas Company
P. O. Box 1492
El Paso, Texas 79999
Attn: Mr. Harry Gevertz

El Paso Natural Gas Company
P. O. Box 990
Farmington, New Mexico
Attn: Regional Land Manager

Olen F. Featherstone
Roswell Petroleum Bldg.
Roswell, New Mexico

A. C. Pegg
P. O. Box 8852
Chicago, Illinois

E. I. Rydin
P. O. Box 8852
Chicago, Illinois

L. B. Hodges
P. O. Box 489
Roswell, New Mexico

Marie C. Anderson
359 Vernon Street
Oakland, California 94610

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1903 Adams Court
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Lafayette, California

Harold K. Johnson
1118 Laurel Drive
Lafayette, California

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Chicago, Illinois

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Albuquerque, New Mexico

Skelly Oil Company
P. O. Box 1650
Tulsa, Oklahoma 74102
Attn: Mr. R. G. Hiltz

Southern Union Production Co.
Fidelity Union Tower Bldg.
Dallas, Texas 75201
Attn: Mr. L. S. Muennink

Sunray DX Oil Company
1101 Wilco Building
Midland, Texas
Attn: Mr. V. M. Williams

Texaco, Inc.
P. O. Box 2100
Denver, Colorado
Attn: Mr. J. F. Neill

Texas Pacific Oil Company
P. O. Box 747
Dallas, Texas 75221
Attn: Mr. L. B. Jeffers

John H. Trigg
P. O. Box 520
Roswell, New Mexico

Rip C. Underwood
P. O. Box 2588
First National Bank Bldg.
Amarillo, Texas

Wood Oil Company
Room 800
Midstates Building
Tulsa, Oklahoma