STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

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

November 8, 1988

Blackwood & Nichols Co., Ltd.

P.O. Box 1237

Durango, CO 81302

Attention: William F. Clark

Operations Manager

OIL COM. DIV.

Administrative Order NSL-2601

Dear Mr. Clark:

Reference is made to your application of October 31, 1988 for a non-standard coal gas well location for your Northeast Blanco Unit Well No. 429 to be located 160 feet from the North line and 1555 feet from the East line (Unit B) of Section 17, Township 30 North, Range 7 West, NMPM, Basin Fruitland Coal Gas Pool, Rio Arriba County, New Mexico. The N/2 of said Section 17 shall be dedicated to the well forming a standard 320-acre, more or less, gas spacing and proration unit.

By the authority granted me under the provisions of Rule 8 of Division Order No. R-8768, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,

William J. LeMay

Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec

New Mexico Oil & Gas Engineering Committee - Hobbs

US Bureau of Land Management - Farmington



STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD AZTEC, NEW MEXICO 87410 (505) 334-6178

OIL CONSERVATION DIVISION BOX 2088
SANTA FE, NEW MEXICO 87501
DATE 11-1-88
RE: Proposed MC Proposed DHC Proposed NSL X Proposed SWD Proposed WFX Proposed PMX
Gentlemen:
I have examined the application dated 10-3/-
for the Blackwood & Nichola NERJU#425 B-17-30N-7 Operator Lease and Well No. Unit, S-T-R
and my recommendations are as follows:
APPROUE
Yours truly,
En Burch

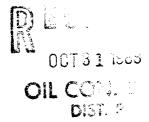
BLACKWOOD & NICHOLS CO., LTD.

P.O. BOX 1237 DURANGO, COLORADO 81302-1237

(303) 247-0728

October 27,1988

Mr. William LeMay New Mexico Oil Conservation Division P.O.Box 2088 Santa Fe, New Mexico 87501



Re:Unorthodox Gas Well Location Northeast Blanco Unit No. 429 160'FNL - 1555'FEL, Sec.17, T30N, R7W Rio Arriba Co., New Mexico

Dear Mr. LeMay;

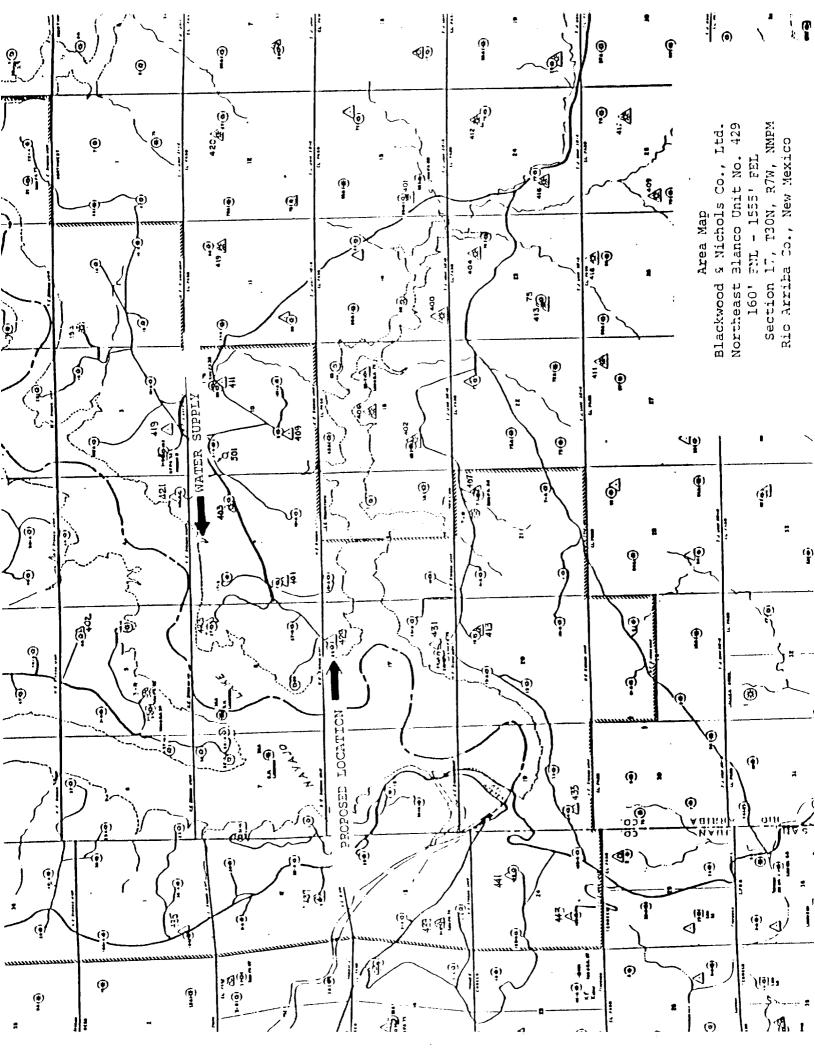
Blackwood & Nichols Co., Ltd. requests administrative approval of an exception to the footage requirements of Rule 7 , R -8768 for the subject well, located in the Basin Fruitland Coal Pool.

This request is for exception due to topography. A Vicinity Map and C-102 are attached for your reference. As evidenced by the Vicinity Map, the standard locations would be located on the sandstone ledge immediately above the Navajo Reservoir. This area is inaccessible due the steep cliffs between the proposed location and a standard location.

The north half of Section 17 will be dedicated to this well. All offset proration units are within the boundaries of the Northeast Blanco Unit.

Your prompt consideration of this request is appreciated.

William F. Clark Operations Manager Blackwood & Nichols Co., Ltd.



Form C-102

SANTA FE, NEW MEXICO 8.

All distances must be from the outer boundaries of the Section. Legas 429 Operator Northeast Blanco Unit Blackwood & Nichols Co., LTD. County Range Rio Arriba 7 West 30 North Actual Fastage Location of Wells East. 1555 North 160 feet from the Dedicated Acreoget Ground Level Elev. Producing Formation Basin Fruitland Coal 320 Fruitland Coal 6257 1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to work interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been cons dated by communitization, unitization, force-pooling. etc? If answer is "yes;" type of consolidation Unitization A Yes If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse sid this form if necessary.). No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitizat forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Divi * Note: Non-standard due to terrain. CERTIFICATION 1555 Tr. 41 LOC. I hereby certify that the information Tr. 47 SF1079060 SF-Position 079082 Operations Manager Blackwood & Nichols Co., 079082-A 11:44 1_{Tr.} 43 C. EDI 00731 Bus 9-11-88 Registered Professional Engineer Neale C. Edward Cettilicate No. 6857

