

CASE 5607: BLACK RIVER CORPORATIO  
FOR AN UNORTHODOX OIL WELL LOCA-  
TION, EDDY COUNTY, NEW MEXICO

CASE NO.

5607

---

APPLICATION,  
TRANSCRIPTS,  
SMALL EXHIBITS,  
ETC.

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
January 7, 1976

EXAMINER HEARING

IN THE MATTER OF:

Application of Black River Corporation  
for an unorthodox oil well location,  
Eddy County, New Mexico.

CASE  
5607

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil  
Conservation Commission:

William F. Carr, Esq.  
Legal Counsel for the Commission  
State Land Office Building  
Santa Fe, New Mexico

sid morrish reporting service

General Court Reporting Service  
825 Calle Mejia, N.E. 122, Santa Fe, New Mexico 87501  
Phone (505) 982-9212

1 MR. STAMETS: The hearing will please come to order.  
2 We will call the first Case, 5607.

3 MR. CARR: Case 5607, application of Black River  
4 Corporation for an unorthodox oil well location, Eddy County,  
5 New Mexico.

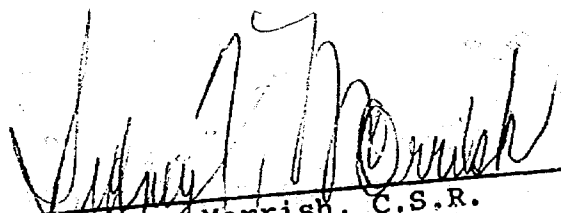
6 Mr. Examiner, we have received a letter from  
7 Black River Corporation requesting that this case be dismissed.

8 MR. STAMETS: Case 5607 will be dismissed.  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25


**sid morrish reporting service**  
General Court Reporting Service  
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501  
Phone (505) 982-9212

REPORTER'S CERTIFICATE

1  
2  
3 I, SIDNEY F. MORRISH, a Certified Shorthand Reporter,  
4 do hereby certify that the foregoing and attached Transcript  
5 of Hearing before the New Mexico Oil Conservation Commission  
6 was reported by me, and the same is a true and correct record  
7 of the said proceedings to the best of my knowledge, skill and  
8 ability.

9  
10   
11 Sidney F. Morrish, C.S.R.

12  
13  
14  
15  
16  
17 I do hereby certify that the foregoing is  
18 a complete record of the proceedings in  
19 the Examiner's hearing of Case No. 5802  
20 heard by me on 1-7, 1976.

21  
22   
23 Examiner  
24 New Mexico Oil Conservation Commission  
25

sid morrish reporting service  
General Court Reporting Service  
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501  
Phone (505) 982-9212



BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 5607  
Order No. R-5148

APPLICATION OF BLACK RIVER CORPORATION  
FOR AN UNORTHODOX OIL WELL LOCATION,  
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 7, 1976,  
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 14th day of January, 1976, the Commission,  
a quorum being present, having considered the record and the  
recommendations of the Examiner, and being fully advised in  
the premises,

FINDS:

That the applicant's request for dismissal should be  
granted.

IT IS THEREFORE ORDERED:

That Case No. 5607 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year herein-  
above designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman

  
EMERY C. ARNOLD, Member

  
JOE D. RAMEY, Member & Secretary

  
S E A L

dr/

DRAFT

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

dr/

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

*[Signature]* CASE NO. 5607

Order No. R- 5148

APPLICATION OF BLACK RIVER CORPORATION  
FOR AN UNORTHODOX OIL WELL LOCATION,  
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

*[Signature]* This cause came on for hearing at 9 a.m. on January 7, 1976,  
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this \_\_\_\_\_ day of January, 1976, the Commission,  
a quorum being present, having considered the record and the recom-  
mendations of the Examiner, and being fully advised in the premises,

FINDS:

That the applicant's request for dismissal should be  
granted.

IT IS THEREFORE ORDERED:

That Case No. 5607 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year hereinabove  
designated.

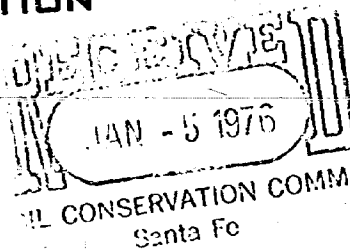


# BLACK RIVER CORPORATION

620 COMMERCIAL BANK TOWER  
MIDLAND, TEXAS 79701

December 31, 1975

915 884-2253  
915 683-5384



*RF*  
Mr. Dan Nutter  
Legal Department  
State of New Mexico  
Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 85701

*Dismiss*  
↓  
Re: Docket No. 1-76  
Case 5607

Dear Dan:

We respectfully request that the above referenced Case No. 5607 be canceled. Black River Corporation was finally successful in obtaining permission to drill this well at a legal location of 330' FWL and 330' FSL.

As I last discussed with you, the Bureau of Land Management environmentalists had indicated requiring the use of steel reserve pits and the hauling away of all cuttings if permission to drill the orthodox location was to be granted. The cost to comply with this restriction was prohibitive to Black River Corporation, and we therefore proceeded with obtaining approval on the unorthodox location. The environmentalist then requested that the location be looked at again to determine if the pad could be turned around so that the earthen reserve pits would not disturb the area that they wanted to protect. I checked with our drilling contractor to see if a change in the pad would be all right with him and he said that there would be no problem at this time of the year.

At the meeting between Black River Corporation and the Bureau of Land Management environmentalist, it was decided that the pad could be turned so that the V-door faced the north instead of the east. So at long last we have approval to drill at a legal location.

I sincerely hope that the problems that Black River Corporation has encountered in acquiring approval to drill this location is not an indication of what will happen to future applications. This situation cost Black River Corporation a considerable amount of time and money to resolve, and I frankly do not see how a small company can compete in this environment.

Mr. Dan Nutter

Page 2

December 31, 1975

I would like to take this opportunity to thank you for your help in this matter, and we certainly appreciate your concern. We feel that you were very instrumental in getting the situation back in the proper perspective.

Very truly yours,

BLACK RIVER CORPORATION

*Ronald D. Sowders C.P.A.*

Ronald D. Sowders, C.P.A.  
Vice President

RDS/jw

Docket No. 1-76

Dockets Nos. 2-76 and 3-76 are tentatively set for hearing on January 14 and January 21, 1976. Applications for hearing must be filed at least 22 days in advance of hearing date.

**DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 7, 1976**

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Starnets, Examiner or Daniel S. Nutter, Alternate Examiner:

- CASE 5600:** Application of Chaplin Petroleum Company for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the East Carlsbad-Wolfcamp Gas Pool, Eddy County, New Mexico, including a provision for 320-acre spacing.
- CASE 5601:** Application of Consolidated Oil & Gas, Inc. for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval to commingle Tapacito-Pictured Cliffs and Aztec gas production in the wellbore of its Tribal "C" Well No. 10-7, located in Unit J of Section 7, Township 26 North, Range 3 West, Rio Arriba County, New Mexico.
- CASE 5602:** Application of Consolidated Oil & Gas, Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Fulcher Kutz-Pictured Cliffs and Aztec-Fruitland gas production in the wellbore of its Collins Well No. 1, Manley Well No. 1, and Walz Well No. 1, located, respectively, in Units E, P, and L of Section 31, Township 29 North, Range 10 West, San Juan County, New Mexico.
- CASE 5603:** Application of Burleson and Huff for compulsory pooling, a non-standard gas proration unit, and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Jalzat Gas Pool underlying the NW/4 of Section 35, Township 25 South, Range 37 East, Lea County, New Mexico, to form a non-standard 160-acre proration unit; applicant further seeks the pooling of all mineral interests in the Langite-Matrix Pool underlying each of the following tracts in said Section 35 to form three standard 40-acre proration units: the NE/4 NW/4, to be dedicated to applicant's Dabbs Well No. 1, located 330 feet from the North line and 2310 feet from the West line of said Section 35; the SE/4 NW/4, to be dedicated to applicant's Dabbs Well No. 3, located 1980 feet from the North and West lines of said Section 35; and the SW/4 NW/4, to be dedicated to a well to be drilled on said tract at a standard Langite Matrix Pool location. In the event re-entry into either the Dabbs Well No. 1 or No. 3 is unsuccessful, applicant proposes to drill a replacement well at a standard location on its tract. Applicant further proposes to dedicate the 160-acre Jalzat proration unit to one of the three above-described wells, and in the event it should be the Dabbs Well No. 1, applicant seeks approval for the unorthodox Jalzat location for said well. Also to be considered will be the cost of re-entering, drilling, and completing said wells and the allocation of such costs as well as actual operating costs and charges for supervision. Also to be considered will be the designation of the applicant as operator of the wells and a charge for the risk involved in re-entering, drilling, and completing said wells.
- CASE 5604:** Application of Burleson & Huff for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Querecho Plains-Queen Pool by the injection of water into the Queen formation through its Anadarko Federal Well No. 6 to be drilled at an unorthodox location in the approximate center of the SW/4 of Section 27, Township 18 South, Range 32 East, Lea County, New Mexico. Applicant further seeks an administrative procedure for approval of additional wells at standard and non-standard locations within the project area.

**CASE 5605:** Application of Saguaro Oil Company for special pool rules, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Table Mesa-Dakota Oil Pool, San Juan County, New Mexico, including a provision for 2 1/2-acre spacing.

**CASE 5606:** Application of Cities Service Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to commingle Tubb and Drinkard production in the wellbore of its Brunson B Well No. 3, located in Unit M of Section 3, Township 22 South, Range 27 East, Lea County, New Mexico.

**CASE 5607:** Application of Black River Corporation for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill an undesignated Canyon Formation well at an unorthodox location 280 feet from the South line and 150 feet from the West line of Section 33, Township 23 South, Range 24 East, Eddy County, New Mexico.

**CASE 5608:** Application of Northern Natural Gas Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Magruder Hill Unit Area comprising 2,258 acres, more or less, of Federal, State, and fee lands in Township 22 South, Range 25 and 26 East, Eddy County, New Mexico.

**CASE 5609:** Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Nellor "E0" Well to be drilled at a point 1950 feet from the North line and 660 feet from the West line or in the alternative, 660 feet from the North and West lines of Section 30, Township 17 South, Range 26 East, Eddy County, New Mexico, the N/2 of said Section 30 to be dedicated to the well.

**CASE 5610:** Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Caskey "EV" Well to be drilled at a point 660 feet from the South line and 1400 feet from the West line of Section 30, Township 17 South, Range 26 East, Eddy County, New Mexico, the S/2 of said Section 30 to be dedicated to the well.

**CASE 5611:** Application of David C. Collier for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of his Welch State No. 7 Well located 1330 feet from the South and West lines of Section 17, Township 18 South, Range 28 East, Artesia Pool, Eddy County, New Mexico, said well having formerly been a water injection well.

**CASE 5612:** Application of Dalport Oil Corporation for exception to the provisions of Order No. R-3221, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks as an exception to the provisions of Commission Order No. R-3221 permission to dispose of produced salt water from its State C Wells Nos. 1, 2, and 5, located in Units D, E, and L, respectively, of Section 16, Township 15 South, Range 30 East, Double L Queen Associated Pool, Chaves County, New Mexico, in an unlined surface pit located in Unit E of said Section 16.

**CASE 5596:** (Reopened & Readvertised)

Application of Burk Royalty Company for statutory unitization, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing, for the purpose of secondary recovery, all mineral interests in the Queen formation underlying the following-described lands, Double L-Queen Pool, Chaves County, New Mexico:

TOWNSHIP 14 SOUTH, RANGE 29 EAST, NMPM

Section 23: E/2 SE/4

Section 24: W/2 SW/4

Section 25: NW/4, SW/4 NE/4, N/2 SW/4, SE/4 SW/4, W/2 SE/4, &amp; SE/4 SE/4

Section 36: NE/4 NW/4, NE/4, N/2 SE/4, &amp; SE/4 SE/4

TOWNSHIP 14 SOUTH, RANGE 30 EAST, NMPM

Section 31: W/2, W/2 SE/4, &amp; SE/4 SE/4

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM

Section 1: E/2 E/2

Section 12: NE/4 &amp; E/2 SE/4

Section 13: NE/4 NE/4

TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPM

Section 6: N/2, SW/4, &amp; NW/4 SE/4

Section 7: W/2 W/2 &amp; NE/4 NW/4

Section 18: NW/4

Among the matters to be considered at the hearing will be the necessity of unit operations and the feasibility of the proposed secondary recovery program; the designation of a unit operator; the determination of the horizontal and vertical limits of the unit area; the determination of a fair, reasonable, and equitable allocation of production and costs of production, including capital investment, to each of the various tracts in the unit area; the determination of credits and charges to be made among the various owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations, including, but not necessarily limited to, unit voting procedures, selection, removal, or substitution of unit operator, and time of commencement and termination of unit operations.

CASE 5613: Southeastern New Mexico nomenclature case calling for an order for the creation and extension of certain pools in Lea, Eddy, and Chaves Counties, New Mexico.

(a) Create a new pool in Lea County, New Mexico, classified as an oil pool for Bone Springs production and designated as the West Grama Ridge-Bone Springs Pool. The discovery well is Southern Union Production Company Barbara Federal Well No. 1 located in Unit I of Section 6, Township 22 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM

Section 6: SE/4

(b) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the Hay Hollow-Strawn Gas Pool. The discovery well is Great Western Drilling Company Hay Hollow Unit Well No. 1 located in Unit J of Section 11, Township 26 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 27 EAST, NMPM

Section 11: E/2

(c) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Delaware production and designated as the Ross-Draw-Delaware Gas Pool. The discovery well is J. C. Williamson Ross Draw Unit Well No. 1 located in Unit N of Section 27, Township 26 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 30 EAST, NMPM

Section 27: W/2 Section 34: NW/4

(d) Create a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production and designated as the Sulimar-San

Andres Pool. The discovery well is McClellan Oil Corporation Lisa A Federal Well No. 1Y located in Unit X of Section 13, Township 15 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM

Section 13: SW/4

(e) Extend the vertical limits of the Legg-Morrow Gas Pool in Lea County, New Mexico, to include the Atoka formation; and redesignate the pool as the Legg Atoka-Morrow Gas Pool.

(f) Extend the Antelope Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM

Section 26: S/2 Section 35: N/2

(g) Extend the Bar-U-Pennsylvanian Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 33 EAST, NMPM

Section 31: S/2

(h) Extend the North Burton Flats-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM

Section 19: S/2 Section 30: W/2

(i) Extend the Chaveroo-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 33 EAST, NMPM

Section 17: NW/4 Section 18: NE/4

(j) Extend the East Chisum-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 28 EAST, NMPM

Section 9: E/2 SE/4 and S/2 SW/4

(k) Extend the High Plains-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM

Section 26: SW/4

(l) Extend the Jalbat Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 37 EAST, NMPM

Section 2: NW/4

(m) Extend the South Lucky Lake-Queen Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM

Section 22: W/2 NW/4

(n) Extend the Pecos-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM

Section 27: SW/4 NE/4 and W/2 SE/4

(o) Extend the North Vacuum-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM

Section 6: SW/4

(p) Extend the Vacuum-Queen Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM

Section 11: NW/4

**BLACK RIVER CORPORATION**

620 COMMERCIAL BANK TOWER  
MIDLAND, TEXAS 79701

OIL CONSERVATION COMM.  
Santa Fe

November 17, 1975

915-682-5263  
915-683-5384

Mr. Dan Nutter  
Legal Department  
State of New Mexico  
Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Black River Corporation  
Re: BR Federal #3  
150' FWL 280' FSL  
Section 33: T-25-S, R-24-E  
Eddy County, New Mexico

Dear Mr. Nutter:

The application for the above referenced well was originally filed with a legal location of 330' FWL and 330' FSL in Section 33 of T-25-S, R-24-E. It is our intention to adequately test the oil possibilities of the Canyon formation based on indications received from Black River Corporation wells drilled just south of this location. When this location was inspected by Mr. Jimie Provencio of the Environmental Department of the Bureau of Land Management it was rejected because it was located on one of the few areas that maintained a fair grass coverage with some drainage. Mr. Provencio stated that the location should be moved approximately 900' east to avoid the grass disturbance.

The requested change was entirely unacceptable to us in that a move in this direction could take us out of any chance for commercial production. We therefore met with Mr. Provencio on the location site, and accordingly agreed on an alternate site of 150' FWL and 280' FSL in Section 33 of T-25-S, R-24-E, Eddy County, New Mexico.

The alternate site is an unorthodox location under the oil and gas rules for the state of New Mexico, and we hereby respectfully request that administrative approval be granted for this location. I have requested that Mr. Jim Knauf with the Geological Survey in Artesia send you a copy of the letter from Mr. Jimie Provencio of the Bureau of Land Management regarding the acceptance of this site and reasons for the change from the original location.

Oil Conservation Commission

Page 2

November 12, 1975

NOV 19 1975  
CONSERVATION COMM.

Santa Fe

The lease (NM-0502925) on which this well is to be drilled is in its two year extended term, and commercial production must be located before February 1, 1976 or the lease will expire. Therefore your immediate attention to this request will be greatly appreciated. If additional information is needed, please contact me at 1-915-683-5384.

Very truly yours,

BLACK RIVER CORPORATION

*Ronald D. Sowders*

Ronald D. Sowders, C.P.A.  
Vice President

RDS/jw

cc: Jim Knauf  
U.S. Geological Survey  
P. O. Drawer U  
Artesia, New Mexico 88210

DOCKET MAILED

Date 12/29/75

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

RECEIVED  
NOV 19 1975  
Form C-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

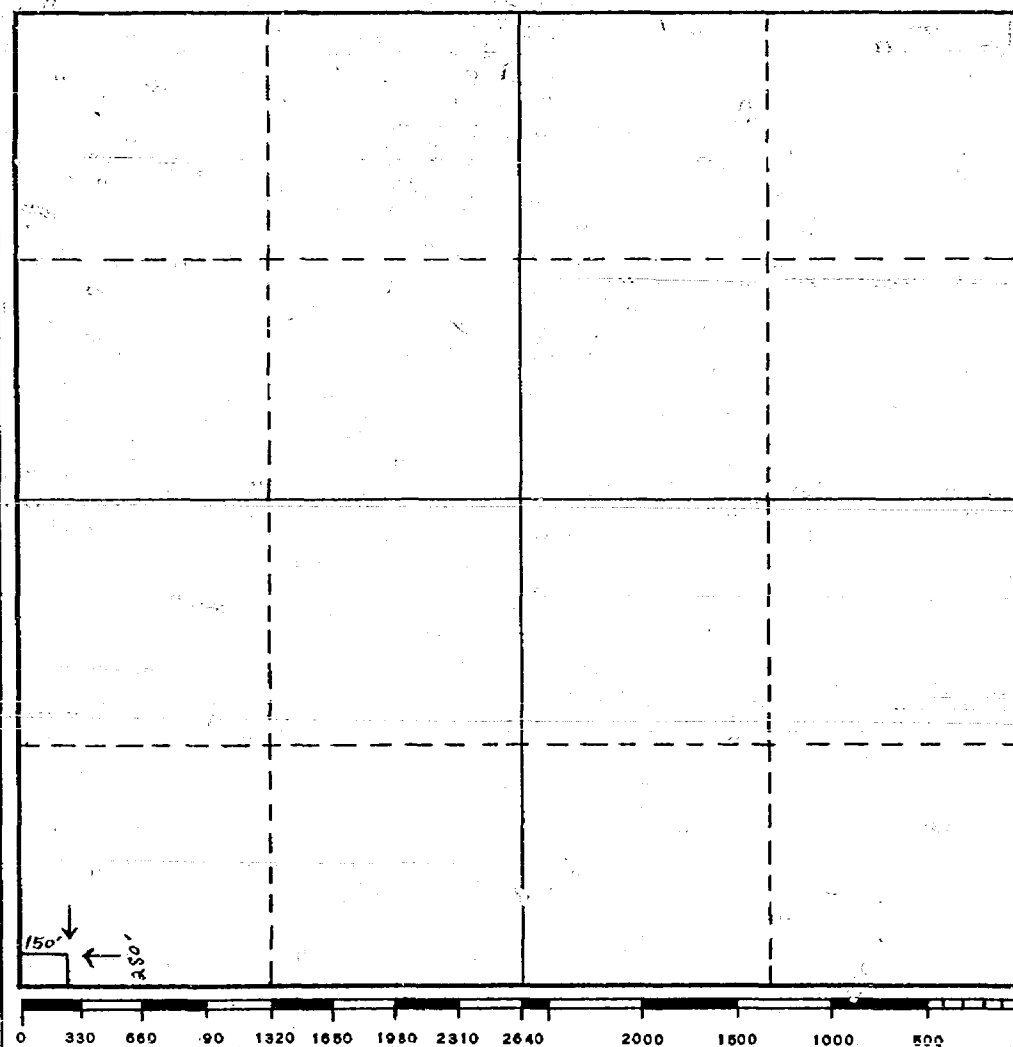
Operator <b>Black River Corporation</b>		Lease <b>BR Federal</b>		Well No. <b>3</b>	
Unit Letter <b>M</b>	Section <b>33</b>	Township <b>25 South</b>	Range <b>24 East</b>	County <b>Eddy</b>	
Actual Footage Location of Well: <b>280</b> feet from the <b>South</b> line and <b>150</b> feet from the <b>West</b> line					
Ground Level Elev. <b>3802.3</b>	Producing Formation <b>Wildcat</b>		Pool	Dedicated Acreage: <b>40</b> Acres	

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 working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

*Ronnie Sawchuk*

Name  
Vice President  
Black River Corporation  
Company  
11-17-75  
Date

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed  
Registered Professional Engineer  
and/or Land Surveyor

Certificate No.

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

RECEIVED  
NOV 19 1975

Form C-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator <b>Black River Corporation</b>			Lease <b>BR Federal</b>		Well No. <b>CONSERVATION COMM.</b>
Unit Letter <b>M</b>	Section <b>33</b>	Township <b>25 South</b>	Range <b>24 East</b>	County <b>Santa Fe</b>	
Actual Footage Location of Well: <b>280</b> feet from the <b>South</b> line and <b>150</b> feet from the <b>West</b> line					
Ground Level Elev. <b>3802.3</b>	Producing Formation <b>Wildcat</b>		Pool	Dedicated Acreage: <b>40</b> Acres	

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 working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

CERTIFICATION

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

*Ronnie Sawyers*

Name  
**Vice President**  
Position  
**Black River Corporation**  
Company  
**11-17-75**  
Date

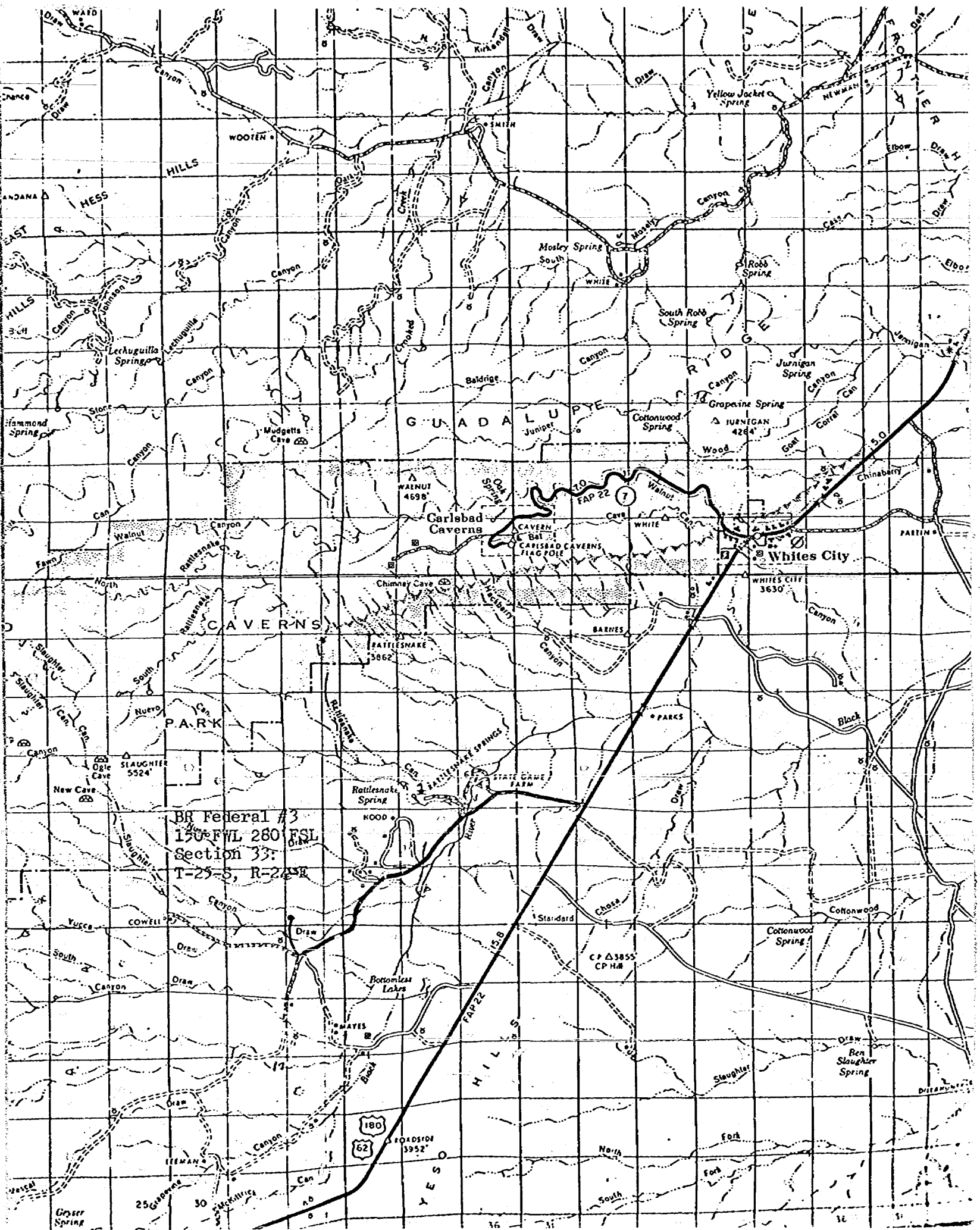
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

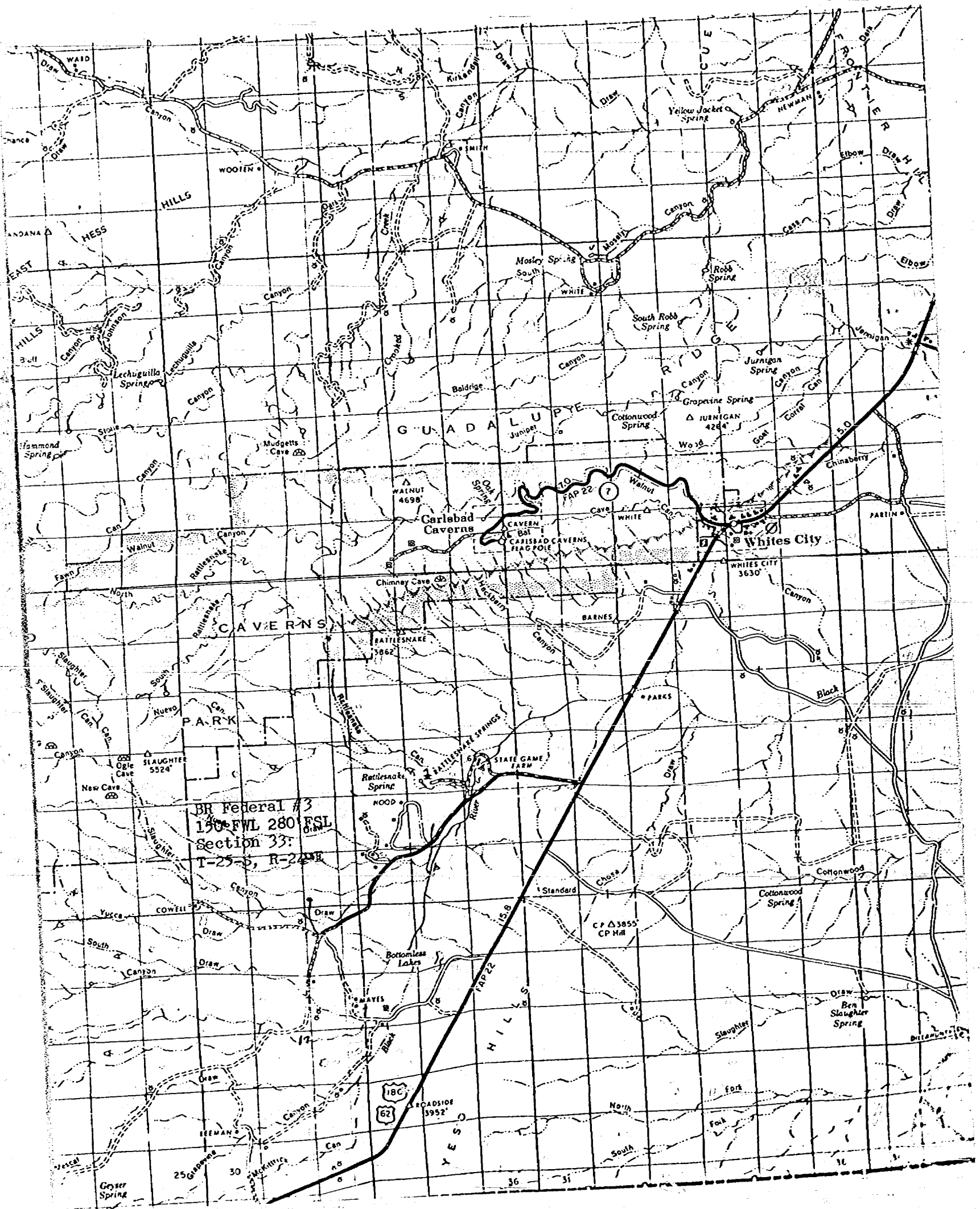
Registered Professional Engineer and/or Land Surveyor

Certificate No.





BR Federal #3  
170 FWL 280 FSL  
Section 33:  
T-25-S, R-24-E



BR Federal #3  
150 FWL 280 FSL  
Section 33:  
T-25-S, R-24-E

DAN NUTTER

BLM reconsidered  
orthodox loc.  
they can drill but need  
1. steel reserve pits  
2. haul away cuttings  
\$30,000 - 40,000  
extra cost

Black River finds  
their prohibitive -  
will go for  
now - std loc  
at hearing, if they  
can drill in meantime,  
will file appl for  
Jan 7 beg.

DAN NUTTER

12/1

Talked to Ron Sanders

Explained necessity for  
notification of  
effects.

Told him we  
were ready to  
grant NSL if  
he can get a  
waiver from  
M. P. Grace

4500' 18-19 days

Dan -

Please call

12/1

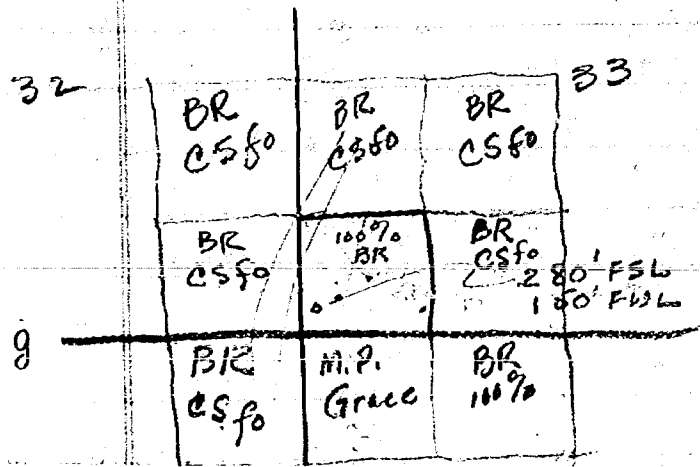
Louise Sanders  
Blackriver Corp.

915 683-5384

Call Back Operator 6  
Midland

DAN NUTTER

25S-24E



OPTIONAL FORM NO. 10  
MAY 1962 EDITION  
GSA FPMR (41 CFR) 101-11.6

UNITED STATES GOVERNMENT

# Memorandum

TO : DAN NUTTER / NMQCC / SANTA FE

FROM : JIM KNAUF / USGS / ARTESIA

SUBJECT: UNORTHODOX LOCATION  
BLACK RIVER CORP.  
No. 3 - "BR" FED 280/5 150/W  
SEL 33 - T255 - R 24E, NMPM, E009 1000Y, N.M.

DATE:

11-21-75

WILSON CONSERVATION COMM.

Case 5607

NOV 24 1975



5010-109

ATTACHED LETTER OF EXPLANATION  
AS REQUESTED BY BLACK RIVER CORP.

J. J. Burkman  
for  
JIM KNAUF

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

IN REPLY REFER TO:

UNITED STATES GOVERNMENT

# Memorandum

DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

3109

NOV 24 1975  
DATE NOV 18, 1975  
Santa Fe

RECEIVED  
NOV 19 1975  
U. S. GEOLOGICAL SURVEY  
ARTESIA, NEW MEXICO

TO : District Engineer, USGS, Artesia

FROM : Area Manager, CRA, BLM, Roswell

SUBJECT: Black River Corp. proposed well location  
3-BR Federal, T. 25 S., R. 24 E., Sec. 33, N.M.P.M.

A joint pre-drilling inspection on subject well was conducted on November 5, 1975, by BLM and USGS. Said wells original staked location, 330' FSL and 330' FWL proved unacceptable with regards to surface protection considerations. The original location fell in the midst of a natural depression heavily vegetated with grass and woody, shrub-type cover. This type of vegetation is highly desirable and heavily utilized by both livestock and wildlife; consequently, protection of these unique areas is a primary concern.

On November 12, 1975, a second on-site inspection was conducted between BLM, USGS and Mr. Forrest Miller and Mr. Tom Phipps representing Black River Corporation to discuss the problems with the original location. A mutually acceptable alternate location, along with some special surface protection stipulations, was agreed upon by all parties concerned.

The alternate location agreed upon lies 280' FSL and 150' FWL. Special surface protection stipulations will be incorporated in the approved drilling permit.

Your cooperation and help in making these joint pre-drilling inspections is greatly appreciated.

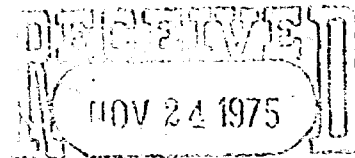


**BLACK RIVER CORPORATION**

620 COMMERCIAL BANK TOWER  
MIDLAND, TEXAS 79701

915 682-5263  
915-683-5324

November 17, 1975



OIL CONSERVATION COMM.  
Santa Fe

Mr. Dan Nutter  
Legal Department  
State of New Mexico  
Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Black River Corporation  
Re: BR Federal #3  
150' FWL 280' FSL  
Section 33: T-25-S, R-24-E  
Eddy County, New Mexico

Dear Mr. Nutter:

The application for the above referenced well was originally filed with a legal location of 330' FWL and 330' FSL in Section 33 of T-25-S, R-24-E. It is our intention to adequately test the oil possibilities of the Canyon formation based on indications received from Black River Corporation wells drilled just south of this location. When this location was inspected by Mr. Jimie Provencio of the Environmental Department of the Bureau of Land Management it was rejected because it was located on one of the few areas that maintained a fair grass coverage with some drainage. Mr. Provencio stated that the location should be moved approximately 900' east to avoid the grass disturbance.

The requested change was entirely unacceptable to us in that a move in this direction could take us out of any chance for commercial production. We therefore met with Mr. Provencio on the location site, and accordingly agreed on an alternate site of 150' FWL and 280' FSL in Section 33 of T-25-S, R-24-E, Eddy County, New Mexico.

The alternate site is an unorthodox location under the oil and gas rules for the state of New Mexico, and we hereby respectfully request that administrative approval be granted for this location. I have requested that Mr. Jim Knauf with the Geological Survey in Artesia send you a copy of the letter from Mr. Jimie Provencio of the Bureau of Land Management regarding the acceptance of this site and reasons for the change from the original location.

**RECEIVED**

NOV 18 1975

U. S. GEOLOGICAL SURVEY  
ARTESIA, NEW MEXICO

November 14, 1975

The lease (NM 0502925) on which this well is to be drilled is in its two year extended term, and commercial production must be located before February 1, 1976 or the lease will expire. Therefore your immediate attention to this request will be greatly appreciated. If additional information is needed, please contact me at 1-915-683-5384.

Very truly yours,

BLACK RIVER CORPORATION

*Ronald D. Sowders*

Ronald D. Sowders, C.P.A.  
Vice President

RDS/jw

cc: Jim Knauf  
U.S. Geological Survey  
P. O. Drawer U  
Artesia, New Mexico 88210

RECEIVED

NOV 18 1975

U. S. GEOLOGICAL SURVEY  
ARTESIA, NEW MEXICO