

Case No.

1008

Application, Transcript,
Small Exhibits, Etc.

CASE 1008: Blackwood & Nichols Co.,
Application for 298.90 acre non-standard
gas unit - Northeast Blanco Unit Well 31-7

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

APPLICATION FOR APPROVAL OF NON-STANDARD
GAS PRORATION UNIT CONSISTING OF LOTS 7,
8, 13 and 14 and $E\frac{1}{2}W\frac{1}{2}$ SECTION 7; also
LOTS 7 and 8 and $E\frac{1}{2}NW\frac{1}{4}$, SECTION 18, ALL
IN TOWNSHIP 30 NORTH, RANGE 7 WEST, IN
THE NORTHEAST BLANCO UNIT AREA, BLANCO-
MESA VERDE GAS POOL, SAN JUAN and RIO
ARRIBA COUNTIES, NEW MEXICO.

CASE NO. 1008

A P P L I C A T I O N

Comes now Blackwood & Nichols Company and respectfully sub-
mits this application for a non-standard gas proration unit con-
sisting of Lots 7, 8, 13 and 14 and $E\frac{1}{2}W\frac{1}{2}$, Section 7; also Lots
7 and 8 and $E\frac{1}{2}NW\frac{1}{4}$, Section 18, all in Township 30 North, Range
7 West, San Juan ~~and Rio Arriba Counties~~, New Mexico. Said tract
contains 298.90 acres and the well located upon the proposed unit
is known as Northeast Blanco Unit well No. 31-7, which well is
located in the $SW\frac{1}{4}$ of Section 7, Township 30 North, Range 7 West.
The said well is now completed.

The applicant states that the acreage contained within the
proposed non-standard proration unit lies wholly within the
Northeast Blanco Unit, San Juan ~~and Rio Arriba Counties~~, New
Mexico and is within the Blanco-Mesa Verde Gas Pool in said
counties.

The applicant proposes the above described acreage be estab-
lished as a non-standard unit in exception to Rule 1 of Order
R-128-D, heretofore entered by the Commission.

Applicant further shows that the $W\frac{1}{2}$ of Section 7 and the $W\frac{1}{2}$
of Section 18, in Township 30 North, Range 7 West, are smaller
than the normal half sections, according to governmental surveys;
consequently, the applicant is prevented from forming standard
proration units.

Applicant requests that if it is in conformance with the rules of the Commission, that this matter be set down for a hearing before an examiner following the regular hearing of the Commission scheduled for January 19, 1956.

Respectfully submitted,

SETH & MONTGOMERY

By 

Attorneys for Blackwood
& Nichols Company

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

February 24, 1956

C
O
P
Y

Mr. Oliver Seth
Seth & Montgomery
111 E. San Francisco
Santa Fe, New Mexico

Dear Sir:

In behalf of your client, Blackwood & Nichols Company, we enclose two copies of each of the following orders issued February 20, 1956, by the Oil Conservation Commission:

Order R-749 in Case 1005
Order R-750 in Case 1006
Order R-751 in Case 1007
Order R-752 in Case 1008
Order R-753 in Case 1009

These cases were all heard on January 24th.

Very truly yours,

W. B. Macey
Secretary - Director

WBM:brp
Encls.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 1008
Order No. R-752

THE APPLICATION OF BLACKWOOD AND
NICHOLS COMPANY FOR AN ORDER
GRANTING AN EXCEPTION TO RULE 1,
OF THE SPECIAL RULES AND REGULATIONS
OF THE BLANCO-MESAVERDE GAS POOL
AS SET FORTH IN ORDER NO. R-128-D, IN
ESTABLISHMENT OF A NON-STANDARD GAS
PRORATION UNIT OF 298.90 CONTIGUOUS
ACRES CONSISTING OF LOTS 7, 8, 13 & 14
AND E/2 W/2 SECTION 7; also LOTS 7 & 8 AND
E/2 NW/4 SECTION 18; ALL IN TOWNSHIP 30
NORTH, RANGE 7 WEST, NMPM, SAN JUAN
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 24, 1956, at Santa Fe, New Mexico, before Warren W. Mankin, Examiner, duly appointed by the Oil Conservation Commission of New Mexico, in accordance with Rule 1214 of Order No. R-681.

NOW, on this 20th day of February 1956, the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission", a quorum being present, having considered said transcript of testimony and record and the recommendations of the Examiner, Warren W. Mankin, and being fully advised in the premises,

FINDS:

1. That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

2. That applicant, Blackwood and Nichols Company, is the owner of an oil and gas lease in San Juan County, New Mexico, the land consisting of other than a legal standard half section, a part of which is described as follows, to-wit:

TOWNSHIP 30 NORTH, RANGE 7 WEST, NMPM
Section 7: Lots 7, 8, 13 & 14 and E/2 W/2
Section 18: Lots 7 & 8 and E/2 NW/4

containing 298.90 acres, more or less.

Order No. R-752

(3) That applicant, Blackwood and Nichols Company has drilled its Northeast Blanco Unit Well No. 31-7 in the SW/4 of Section 7, Township 30 North, Range 7 West, within the horizontal limits of the Blanco-Mesa-verde Gas Pool.

(4) That it is impractical to pool applicant's above-described acreage with adjoining acreage in the Blanco-Mesa-verde Gas Pool, and that the owners of adjoining acreage in said area have not objected to the formation of the proposed proration unit of 298.90 acres.

(5) That the acreage contained within the proposed unit lies wholly within the Northeast Blanco Unit, San Juan and Rio Arriba Counties, New Mexico, and is within the Blanco-Mesa-verde Gas Pool.

(6) That unless a proration unit consisting of applicant's afore-said acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Blanco-Mesa-verde Gas Pool.

(7) That creation of the proration unit consisting of the afore-said acreage will not cause but will prevent waste, and will protect correlative rights.

IT IS THEREFORE ORDERED:

1. That the application of Blackwood and Nichols Company, for approval of a non-standard gas proration unit in the Blanco-Mesa-verde Gas Pool consisting of the following described acreage in San Juan County, New Mexico.

TOWNSHIP 30 NORTH, RANGE 7 WEST, NMPM
Section 7: Lots 7, 8, 13 & 14 and E/2 W/2
Section 18: Lots 7 & 8 and E/2 NW/4

be and the same is hereby approved, and a proration unit consisting of afore-said 298.90 acres is hereby created.

2. That applicant's Northeast Blanco Unit Well No. 31-7 located in the SW/4 of Section 7, Township 30 North, Range 7 West, NMPM, San Juan County, New Mexico, is hereby granted an allowable in the proportion that the above described 298.90 acre unit bears to the standard or orthodox proration unit for said pool, in accordance with the Blanco Mesa-verde Gas Pool Rules, all until further order of the Commission.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John F. Simms
JOHN F. SIMMS, Chairman

E. S. Walker
E. S. WALKER, Member

W. B. Macey
W. B. MACEY, Member and Secretary

