

CAMPBELL & BLACK, P.A.
LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM P. SLATTERY
PATRICIA A. MATTHEWS

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

February 6, 1990

RECEIVED

FEB 6 1990

OIL CONSERVATION DIV.
SANTA FE

HAND-DELIVERED

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87503

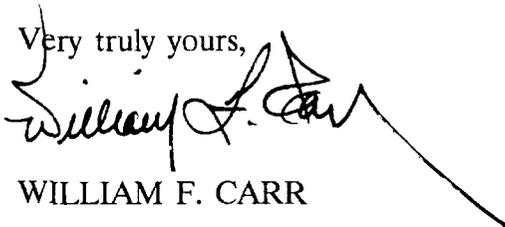
Re: Oil Conservation Division Case No. 9820:
Application of Blackwood & Nichols Co. Ltd., for Compulsory Pooling and
a Non-Standard Gas Proration Unit, San Juan County, New Mexico

Dear Mr. LeMay:

I would appreciate the Division dismissing the above-referenced hearing presently set on
the February 7, 1990 Examiner docket.

Your assistance in this matter is appreciated.

Very truly yours,



WILLIAM F. CARR

WFC:mlh

cc: Mr. Steve Cromwell
Devon Energy Corp.
1500 Mid-America Tower
Oklahoma City, Oklahoma 73102

CAMPBELL & BLACK, P.A.
LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM P. SLATTERY
PATRICIA A. MATTHEWS

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

January 9, 1990

HAND-DELIVERED

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87503

RECEIVED

JAN 9 1990

OIL CONSERVATION DIV.
SANTA FE

Re: Oil Conservation Division Case No. 9819:
Application of Blackwood & Nichols Co. Ltd., for Compulsory Pooling and
an Unorthodox Gas Well Location, San Juan and Rio Arriba Counties, New
Mexico

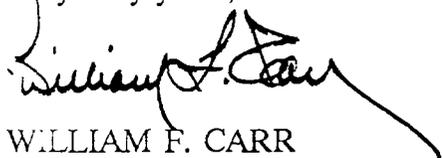
Oil Conservation Division Case No. 9820:
Application of Blackwood & Nichols Co. Ltd., for Compulsory Pooling and
a Non-Standard Gas Proration Unit, San Juan County, New Mexico

Dear Mr. LeMay:

Blackwood & Nichols Co. Ltd., hereby requests that the above-referenced cases scheduled
for hearing before a Division Examiner on January 10, 1990 be continued to the Examiner
hearings scheduled for February 7, 1990.

Your attention to this request is appreciated.

Very truly yours,



WILLIAM F. CARR

WFC:mlh

cc: Mr. Steve Cromwell
Devon Energy Corp.
1500 Mid-America Tower
Oklahoma City, Oklahoma 73102

CAMPBELL & BLACK, P.A.
LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
J. SCOTT HALL
JOHN H. BEMIS
WILLIAM P. SLATTERY
PATRICIA A. MATTHEWS

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

November 13, 1989

DMC
11/14

HAND-DELIVERED

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87503

RECEIVED

NOV 13 1989

OIL CONSERVATION DIVISION

Re: Oil Conservation Division Case No. 9818:
Application of Blackwood & Nichols Co., Ltd. for an Unorthodox Coal Gas
Well Location, San Juan County, New Mexico

Oil Conservation Division Case No. 9819:
Application of Blackwood & Nichols Co., Ltd. for Compulsory Pooling and
an Unorthodox Gas Well Location, San Juan and Rio Arriba Counties, New
Mexico

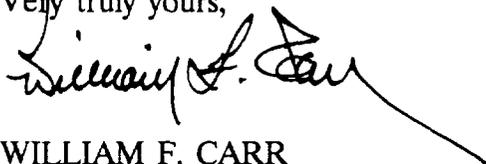
Oil Conservation Division Case No. 9820:
Application of Blackwood & Nichols Co., Ltd. for Compulsory Pooling and
a Non-Standard Gas Proration Unit, San Juan County, New Mexico

Dear Mr. LeMay:

Blackwood & Nichols Co., Ltd. hereby requests that the above-referenced cases scheduled
for hearing before the Oil Conservation Division on November 15, 1989 be continued to
the Division's November 29, 1989 Examiner docket.

Your attention to this request is appreciated.

Very truly yours,



WILLIAM F. CARR
WFC:mlh

cc: Mr. William F. Clark
W. Thomas Kellahin, Esq. - "Hand-Delivered"



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

August 17, 1989

Blackwood & Nichols Co., Ltd.
P.O. Box 1237
Durango, CO 81302

Case 9820

Attention: William F. Clark

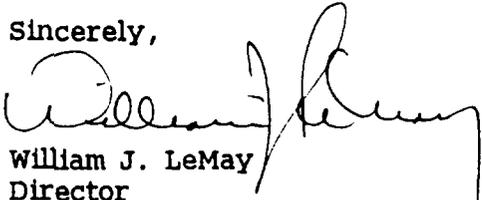
Administrative Order NSL-2685

Dear Mr. Clark:

Reference is made to your application of April 24, 1989 for a non-standard coal gas well location for your Northeast Blanco Unit Well No. 469 to be located 1315 feet from the North line and 645 feet from the East line (Unit H) of Section 13, Township 30 North, Range 8 West, NMPM, Basin Fruitland Coal (Gas) Pool, San Juan County, New Mexico. The E/2 equivalent of said Section 13 shall be dedicated to the well forming a standard 320-acre, more or less, gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of the Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool as promulgated by 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

30-045-27285

Submit to Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-101 Revised 1-1-89

OIL CONSERVATION DIVISION P.O. Box 2088 Santa Fe, New Mexico 87504-2088

DISTRICT I P.O. Box 1900, Hobbs, NM 88240

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

API NO. (assigned by OCD on New Wells)

5. Indicate Type of Lease STATE [] FEE [X]

6. State Oil & Gas Lease No. FEE

7. Lease Name or Unit Agreement Name

Northeast Blanco Unit

8. Well No. 469 (E/320)

9. Pool name or Wildcat Basin Fruitland Coal

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work: DRILL [X] RE-ENTER [] DEEPEN [] PLUG BACK [] b. Type of Well: OIL WELL [] GAS WELL [X] OTHER [] SINGLE ZONE [X] MULTIPLE ZONE []

2. Name of Operator Blackwood & Nichols Co., LTD

3. Address of Operator P.O. Box 1237, Durango, CO 81302-1237

4. Well Location Unit Letter H : 1315 Feet From The North Line and 645 Feet From The East Line 13 Section 30 North Township 8 West Range NMPM San Juan County

10. Proposed Depth 3465' 11. Formation Basin Fruitland Coal 12. Rotary or C.T. Rotary

13. Elevations (Show whether DF, RT, GR, etc.) 6303' GL 14. Kind & Status Plug. Bond State Wide 15. Drilling Contractor 16. Approx. Date Work will start May 1, 1989

PROPOSED CASING AND CEMENT PROGRAM

Table with 6 columns: SIZE OF HOLE, SIZE OF CASING, WEIGHT PER FOOT, SETTING DEPTH, SACKS OF CEMENT, EST. TOP. Row 1: 12 1/4", 9 5/8", 36#, 650', 410, Surface. Row 2: 7 7/8", 5 1/2", 17#, 3465', 570, Surface.

Propose to spud in the San Jose formation. Will drill a 12 1/4" surface hole to a TD of 300'. Surface casing will be run and cemented with cement returns to surface. WOC 12 hrs. Test to 600 psi. Drill a 7 7/8" hole to a TD of 3465' using a fresh water mud. No poisonous gases are anticipated. Weighted mud will be used to drill the Fruitland coals. Logs will be run at TD. Casing will be run and cemented in two stages with cement returns to surface. The drilling rig will be released and a completion unit moved on. Cased hole bond and correlation logs will be run. The Fruitland coals will be perforated from 3025' to 3265' and frac'd with a fresh water based gel fluid.

RECEIVED RECEIVED

MAY - 1 1989

APR 24 1989

Surface ownership is Bureau of Reclamation.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR RE-ENTER AN EXISTING WELL, PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

OIL CONSERVATION DIV. SANTA FE DIST. 3

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

SIGNATURE William F. Clark TITLE Operations Manager DATE April 17, '89 TYPE OR PRINT NAME William F. Clark TELEPHONE NO. 303/247-0728

(This space for State Use)

APPROVED BY [Signature] DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE APR 24 1989

CONDITIONS OF APPROVAL, IF ANY:

Hold C-104 For NSL

10-24-89 THE PERMIT IS COMMENCED. STATE REPORT MUST BE SUBMITTED WITHIN 10 DAYS.

SL-045-27385

to Appropriate
District Office
Lease - 4 copies
Fee Lease - 3 copies

OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

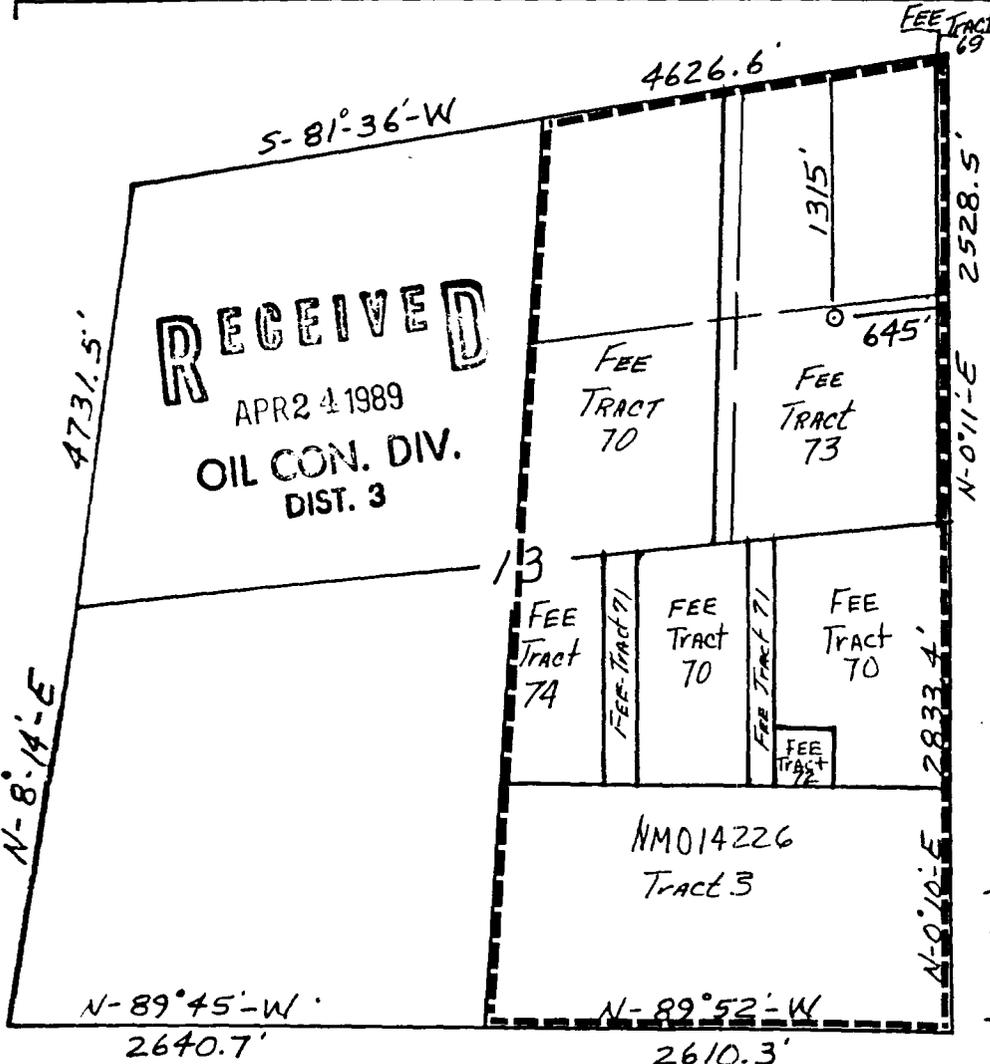
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Arizos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Blackwood & Nichols Co., LTD.		Lease Northeast Blanco Unit		Well No. 469
Unit Lease H	Section 13	Township 30 North	Range 8 West	County San Juan
Account Footage Location of Well: 1315 feet from the North line and 645 feet from the East line				
Ground level Elev. 5303	Producing Formation Fruitland Coal	Pool Basin Fruitland Coal	Dedicated Acreage: 320 Acres	
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hectare marks on the plat below.</p> <p>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).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation Unitization</p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)</p> <p>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 interest, has been approved by the Division.</p>				



OPERATOR CERTIFICATION

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

Signature: *William F. Clark*
 Printed Name: William F. Clark
 Position: Operations Manager
 Company: Blackwood & Nichols, Co.
 Date: April 17, 1989

SURVEYOR CERTIFICATION

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

Date Surveyed: 2-25-89
 Signature: *Neal E. Edwards*
 Professional Surveyor
 State of New Mexico
 8857
 Critical

SECTION _____

TOWNSHIP _____

RANGE _____

Case 9820 :

Application of Blackwood & Nichols Co. Ltd., for compulsory pooling and a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Fruitland formation underlying a 303.4-acre non-standard gas proration unit (E/2 equivalent) of Section 13, Township 30 North, Range 8 West, for any and all formations and/or pools within the vertical extent of this tract developed on 320-acre spacing, to be dedicated to its Northeast Blanco Unit Well No. 469, to be drilled at a previously approved (NSL-2685) non-standard coal gas well location 1315 feet from the North line and 645 feet from the East line (Unit A) of said Section 13. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located _____ miles _____ of _____.

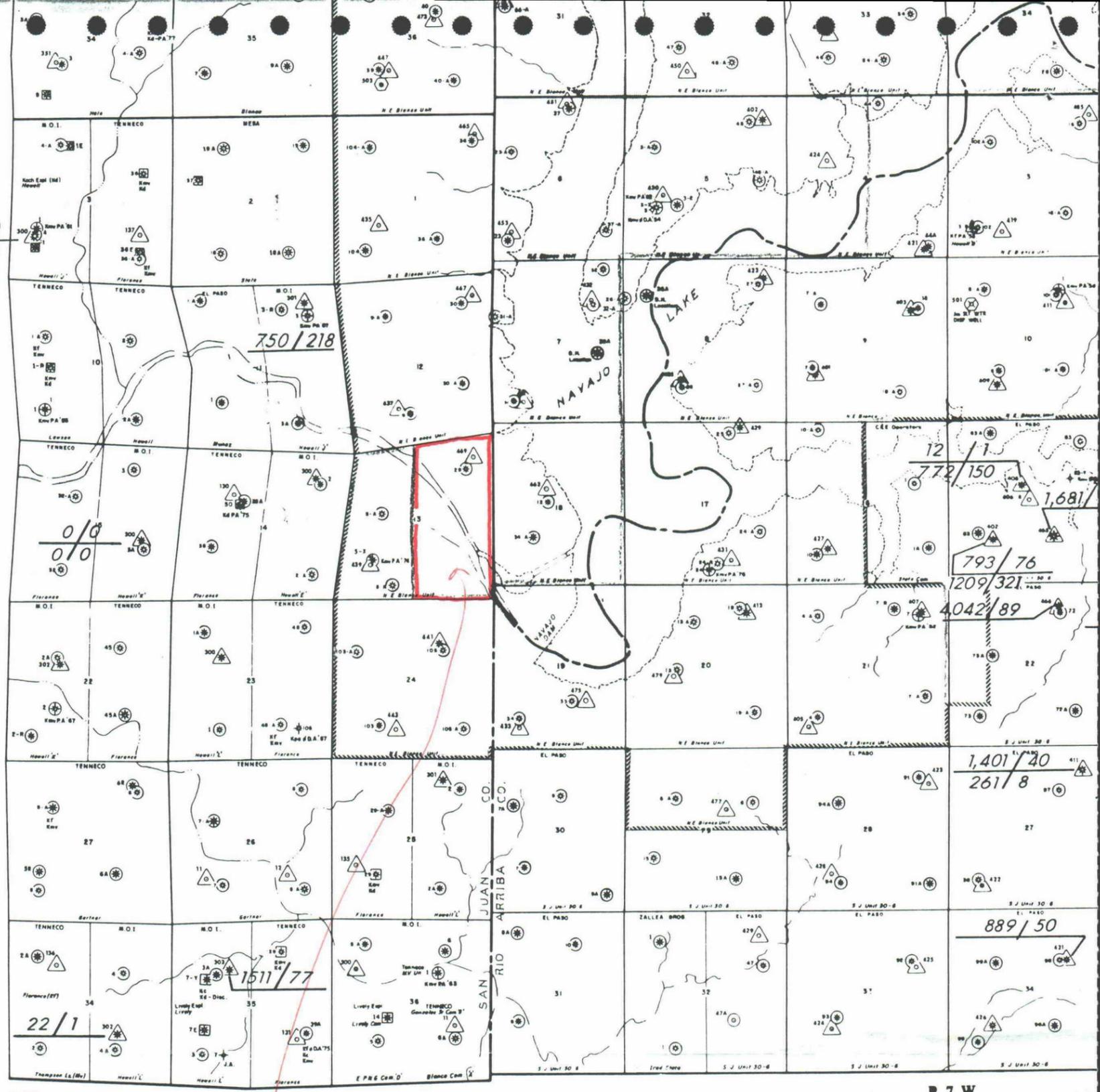
RECEIVED

OCT 24 1970

OIL CONSERVATION DIVISION

0/0

T 30 N



R 8 W

R 7 W

PRODUCTION LEGEND:

DAILY MCFG	DAILY BW
CUM MMCFG	CUM MBW

Fee track not surveyed out by lots in the E/2

— LEGEND —

PRODUCING INTERVAL

KFM*	FARMINGTON	KFM
KL*	KIRTLAND	KL
KT	FRUITLAND	KT
KPC*	PICTURED CLIFFS	KPC
KMV*	MESAVERDE	KMV
KGL*	GALLUP	KGL
KD*	DAKOTA	KD
JE*	ENTRADA	JE

WELL HISTORY

3	FRUITLAND PRODUCER
4	FRUITLAND & PICTURED CLIFFS PRODUCER
1A	PICTURED CLIFFS DISCONNECTED & MESAVERDE PRODUCER
1E	GALLUP & DAKOTA PRODUCER
1	DAKOTA TEST DRILLED DRY & ABANDONED IN 1981

FRUITLAND TO NORTH

* NOTE: 1.) DAILY AS OF 1-24-89
2.) CUM THROUGH 6-21-88

NOTE: SYMBOL INDICATES DEEPEST COMPLETED FORMATION.