

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 to the steep cliffs between the proposed location and a standard location.

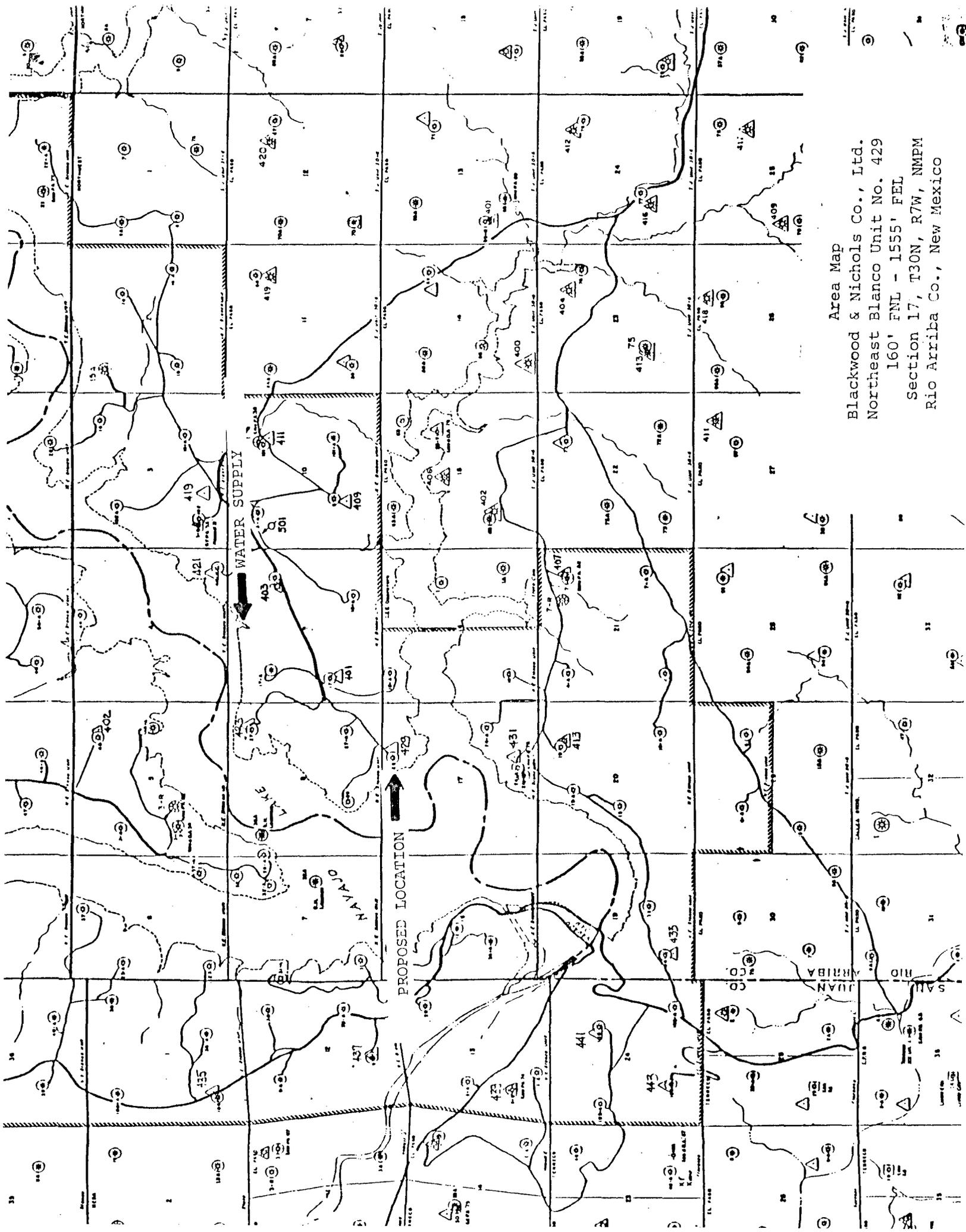
The north half of Section 17 will be dedicated to this well. All offset proration units are within the boundaries of the Northeast Blanco Unit.

Your prompt consideration of this request is appreciated.

Sincerely,

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

*- Verbal Approval  
from E. Burch 11/7/88*



Area Map

Blackwood & Nichols Co., Ltd.  
Northeast Blanco Unit No. 429  
160' FNL - 1555' FEL  
Section 17, T30N, R7W, NMPM  
Rio Arriba Co., New Mexico

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

Operator <b>Blackwood &amp; Nichols Co., LTD.</b>		Lease <b>Northeast Blanco Unit</b>			Well No. <b>429</b>
Unit Letter <b>B</b>	Section <b>17</b>	Township <b>30 North</b>	Range <b>7 West</b>	County <b>Rio Arriba</b>	
Actual Footage Location of Wells <b>160</b> feet from the <b>North</b> line and <b>1555</b> feet from the <b>East</b> line					
Ground Level Elev. <b>6257*</b>	Producing Formation <b>Fruitland Coal</b>		Pool <b>Basin Fruitland Coal</b>	Dedicated Acreage <b>320</b>	

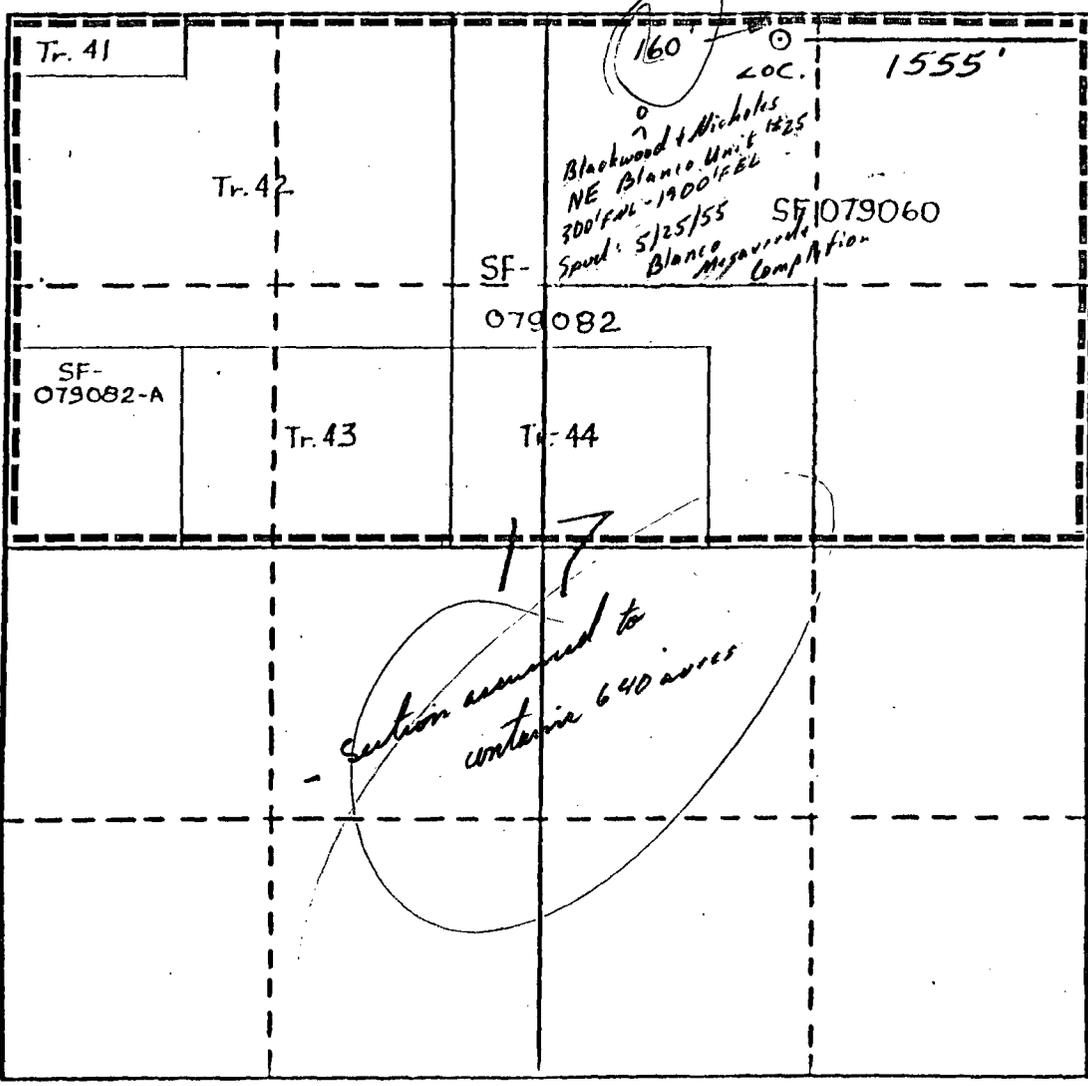
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to work interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes  No If answer is "yes," type of consolidation Unitization

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 Division.

\* Note: Non-standard due to terrain.



**CERTIFICATION**

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

*William T. Clark*  
Name

Position  
Operations Manager

Company  
Blackwood & Nichols Co.,

Date  
*Oct 18, 1988*

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

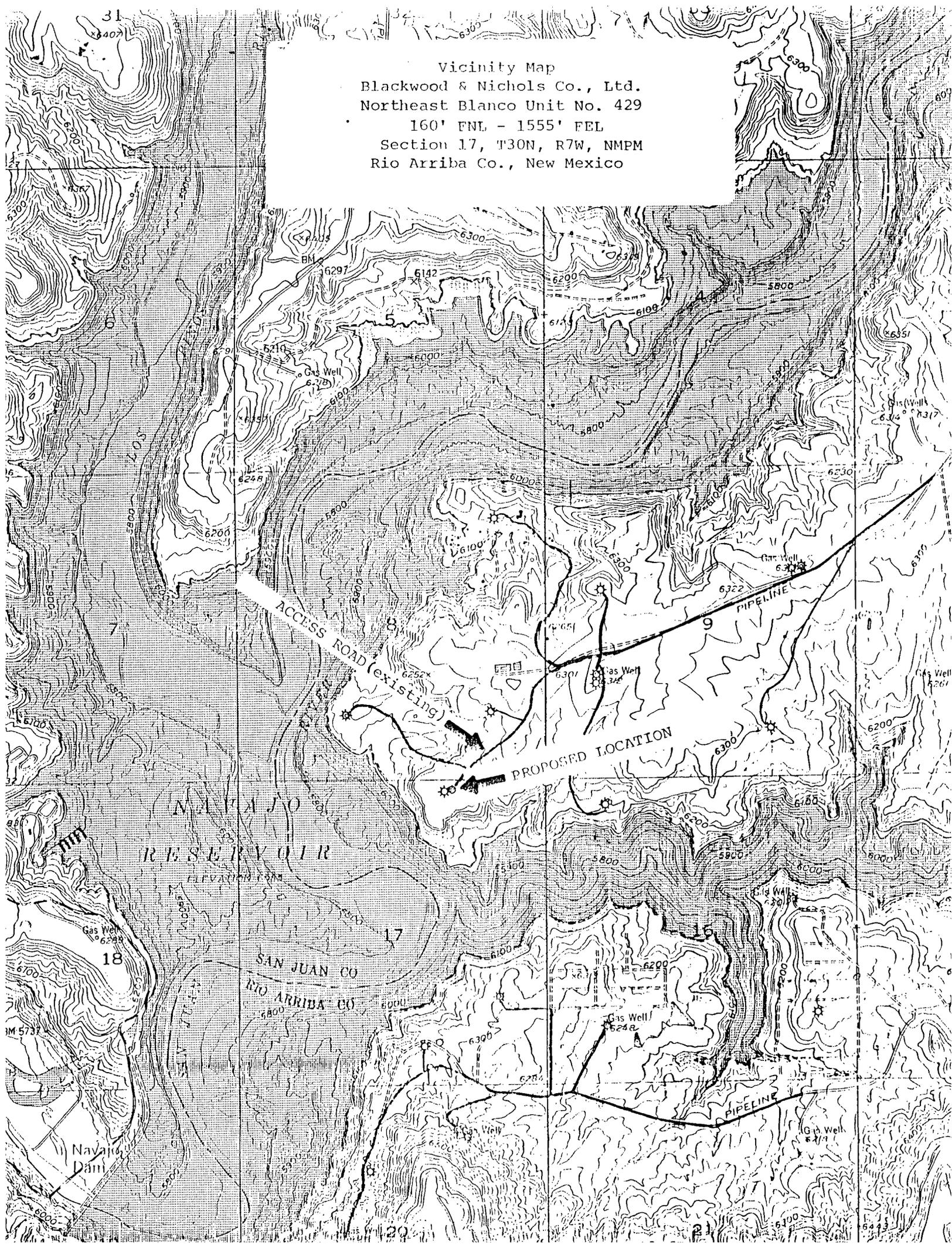
*Neale C. Edwards*  
Date Surveyed  
9-11-88

Registered Professional Engineer and/or Land Surveyor

Neale C. Edwards

Certificate No.  
6857

Vicinity Map  
Blackwood & Nichols Co., Ltd.  
Northeast Blanco Unit No. 429  
160' FNL - 1555' FEL  
Section 17, T30N, R7W, NMPM  
Rio Arriba Co., New Mexico





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

RECEIVED  
NOV - 3 1988  
OIL CONSERVATION DIVISION  
SANTA FE

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 10-31-88  
for the Blackwood & Nichols NE30 #429 B-17-30N-7W  
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

APPROVE  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Yours truly,

Earl Busch