

BLACKWOOD & NICHOLS CO., LTD. RECEIVED
P.O. BOX 1237
DURANGO, COLORADO 81302-1237

89 DEC 14 AM 9 24

(303) 247-0728

December 11, 1989

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

Re: Non-Standard Proration Unit
Northeast Blanco Unit Well No. 462
805' FSL, 1370' FWL
Section 1, T31N, R7W, San Juan County, NM
Dedicated Acreage: 367.10 Acres (S/2)

Dear Mr. LeMay:

Blackwood & Nichols Co., Ltd. requests administrative approval to produce the above referenced well as a non-standard proration unit. The dedicated acreage includes the south half of Section 1 and Lots 5, 6, 7, and 8 (approximately 47.10 acres) as shown on the attached C-102.

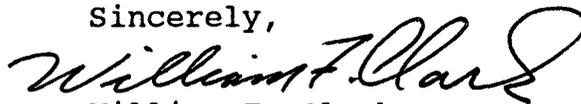
Special Rule for the Basin Fruitland Coal Gas Pool, number 4, allows the spacing unit to be made up of two quarter sections. The referenced well, to insure complete and reasonable acreage utilization, includes the four lots which make up the North 1/2 of Section 1.

This non-standard spacing unit is similar to the existing Mesaverde gas proration unit approved by Order R-1670, see attached. Hopefully this matter can be handled administratively.

Our records show Northwest Pipeline Corp. and Quinoco to be offset operators. A copy of this application is being submitted to the them by certified mail with a request that they furnish your Santa Fe office with a Waiver of Objection and return one copy to Blackwood & Nichols.

Please process this application as soon as possible. Thank you for your cooperation in this matter.

Sincerely,



William F. Clark
Operations Manager

Attachments

cc: NMOCD, Aztec Office
Northwest Pipeline Corp. - Farmington, NM
Quinoco - Denver, CO

WAIVER:

_____ hereby waives objection to Blackwood & Nichols Co., Ltd.'s application for a non-standard proration unit for the Northeast Blanco Unit #462 as proposed above.

By: _____

Date: _____

Form 1 to Appropriate
 District Offices
 1st Lease - 4 copies
 2nd Lease - 3 copies

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-102
 Revised 1-1-89

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

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

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

SIRCT III
 100 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT
 All Distances must be from the outer boundaries of the section

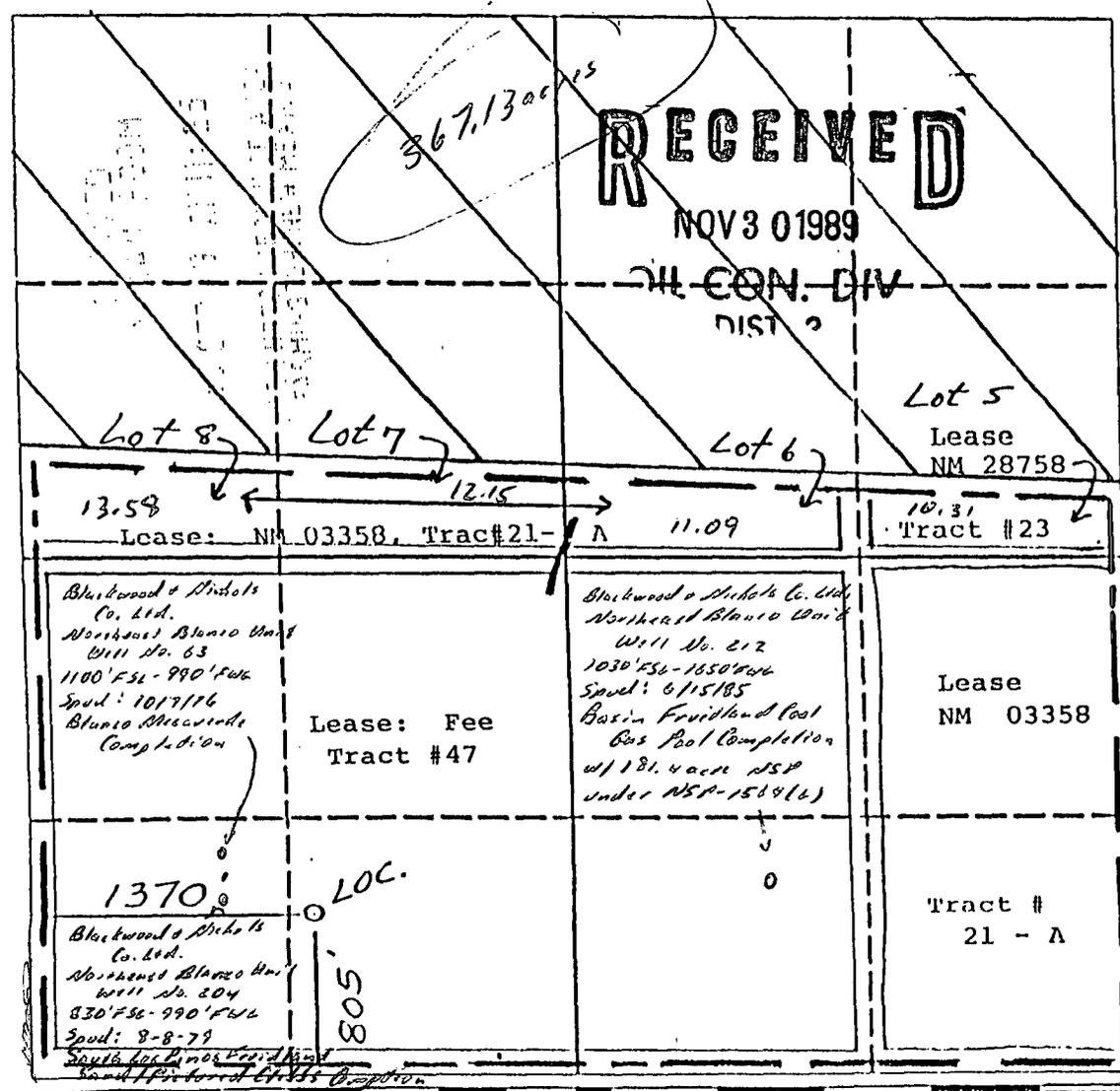
Operator Blackwood & Nichols Co., LTD.		Lease Northeast Blanco Unit		Well No. 462
Section Letter N	Section 1	Township 31 North	Range 7 West	County NMPM San Juan
Actual Footage Location of Well: 805 feet from the South line and 1370 feet from the West line				
Ground level Elev. 6057'	Producing Formation Fruitland Coal	Pool Basin Fruitland Coal	Dedicated Acreage: 967.10 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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.?

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 interest, has been approved by the Division.



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**
 Date: **August 9, 1989**

SURVEYOR CERTIFICATION

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

Date Surveyed: **8/9/89**
 Signature & Seal of Professional Surveyor: *Ngale C. Edwards*
 Certificate No.: **6857**

File #63

NWU 3- 613

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
1000 Rio Brazos Road
Aztec, New Mexico 87410

April 26, 1976

Blackwood & Nichols Co.
Box 1237
Durango, Colorado

Attention: Mr. Loos

SUBJECT: NON-STANDARD GAS PRORATION UNIT CONSISTING OF 367.08 ACRES
IN THE Blanco Mesaverde GAS POOL DESCRIBED AS
FOLLOWS:

TOWNSHIP 31 NORTH, RANGE 7 WEST, NMPM

SECTION: 1 S/2

By authority granted me by Rule 5(B) of Order No. R-1670, as amended, the
above-described acreage has been approved as a non-standard gas proration
unit to be dedicated to the Northeast Blanco Unit

Well No. 63, located 1100/S; 990/W of said
Section 1.

AR Kendrick
District Supervisor
District #3

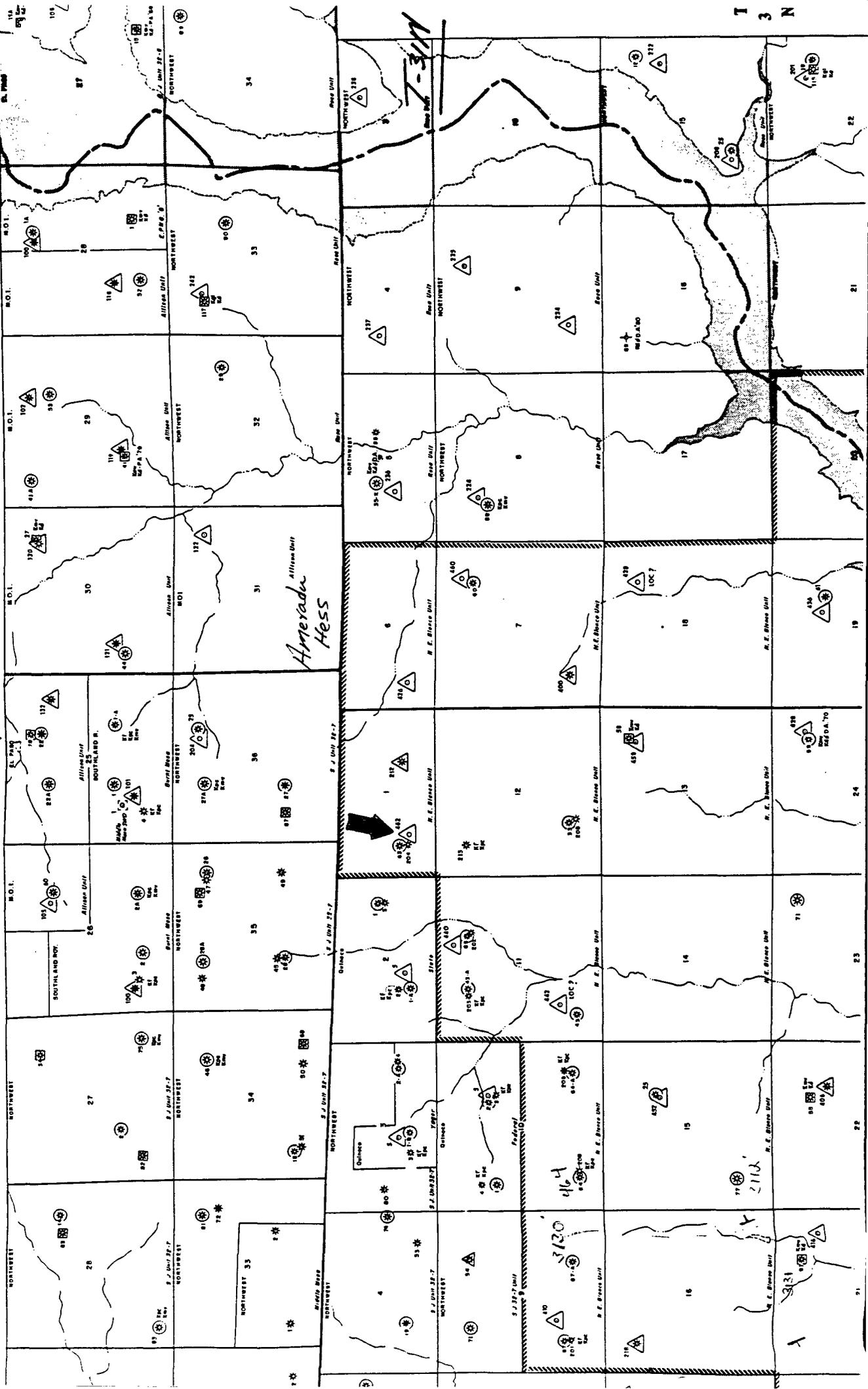
cc: Oil Conservation Commission
Santa Fe, New Mexico

Northeast Blanco Unit Area Map

Well No 462

12-1-89 R 6 W

R 7 W



T 3 N

OIL CONSERVATION DIVISION
RECEIVED

'90 JAN 2 AM 9 49

BLACKWOOD & NICHOLS CO., LTD.

P.O. BOX 1237

DURANGO, COLORADO 81302-1237

(303) 247-0728

December 11, 1989

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

Re: Non-Standard Proration Unit
Northeast Blanco Unit Well No. 462
805' FSL, 1370' FWL
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Dedicated Acreage: 367.10 Acres (S/2)

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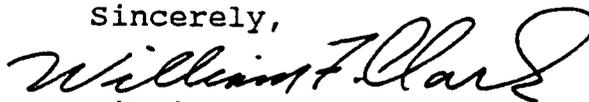
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Our records show Northwest Pipeline Corp. and Quinoco to be offset operators. A copy of this application is being submitted to the them by certified mail with a request that they furnish your Santa Fe office with a Waiver of Objection and return one copy to Blackwood & Nichols.

Please process this application as soon as possible. Thank you for your cooperation in this matter.

Sincerely,



William F. Clark
Operations Manager

Attachments

cc: NMOCD, Aztec Office
Northwest Pipeline Corp. - Farmington, NM
Quinoco - Denver, CO

WAIVER: Quinoco Petroleum, Inc. hereby waives objection to Blackwood & Nichols Co., Ltd.'s application for a non-standard proration unit for the Northeast Blanco Unit #462 as proposed above.

By: Clark

Date: 12-26-89



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
 OIL CONSERVATION DIVISION
 AZTEC DISTRICT OFFICE

1000 RIO UTAHOS ROAD
 AZTEC, NEW MEXICO 87410
 (505) 334-0170

GARREY CARRUTHERS
 GOVERNOR

Date: 12-13-89

ATTN:
Mike Stogner

Oil Conservation Division
 P.O. Box 2088
 Santa Fe, NM 87504-2088

Re: Proposed MC _____
 Proposed DHC _____
 Proposed NSL _____
 Proposed SWD _____
 Proposed WFX _____
 Proposed PMX _____

Gentlemen: NSP-X

I have examined the application dated 12-13-89
 for the Blackwood Minerals Co., Ltd. N.E.W. # 462
 Operator Lease & Well No.

M-1-31N-761 and my recommendations are as follows:
 Unit, S-T-R

Approve. If it can be administratively
done

Yours truly,

John Busch

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

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

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

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

DEC 12 AM 9 00

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

API NO. (assigned by OCD on New Wells) 30-045-27536
5. Indicate Type of Lease STATE [] FEE [X]
6. State Oil & Gas Lease No. Fee, Tract #47

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 []

APPROVAL UNLESS DRILLING IS COMMENCED WITHIN 10 DAYS. SPUD NOTICE MUST BE SUBMITTED. APPROVAL EXPIRES 2-30-90

7. Lease Name or Unit Agreement Name

Northeast Blanco Unit

2. Name of Operator

Blackwood & Nichols Co., Ltd.

8. Well No. 462

3. Address of Operator

P. O. Box 1237, Durango, CO 81302

Pool name or Wildcat Basin Fruitland Coal

4. Well Location

Unit Letter N : 805 Feet From The South Line and 1370 Feet From The West Line

Section 1 Township 31N Range 7W NMPM San Juan County

10. Proposed Depth

3473'

11. Formation

Fruitland Coal

12. Rotary or C.T.

Rotary

13. Elevations (Show whether DF, RT, GR, etc.)

6057' GL

14. Kind & Status Plug. Bond

15. Drilling Contractor

Unknown

16. Approx. Date Work will start

November 30, 1989

17. 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. Rows include hole sizes 12-1/4", 8-3/4", 6-1/4" and casing weights 36#, 23#, 17#.

- (A) 450 sx of lead, 65/35 POZ + 6% gel + .6% FLA + 1/4 #/sk LCM. 100 sx of tail, neat cement with 1/4 #/sk LCM.
(B) Blackwood & Nichols Co., Ltd. proposes to drill a Fruitland Coal well to further develop the Northeast Blanco Unit. 7" casing will be top set above the coal zones using a low solids mud with sufficient weight for well control. Completion rig will be equipped to drill a 6-1/4" hole with water. The well's natural flow capacity will indicate the need for a 5-1/2", 23 #/ft P-110 uncemented pre-drilled liner, or a 4-1/2" 17#/ft N-80 cemented liner for fracture stimulation.
(C) Attached you will find: 1) C-102; 2) vicinity map; 3) area map; 4) drilling pad and access plat; 5) archaeology letter.

Surface ownership is Bureau of Land Management.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE William F. Clark TITLE Operation Manager DATE 11-29-89
TYPE OR PRINT NAME William F. Clark TELEPHONE NO.

RECEIVED

(This space for State Use)

DEPUTY OIL & GAS INSPECTOR, DIST. 3

NOV 30 1989

OIL CON. DIV.

APPROVED BY [Signature] TITLE DATE NOV 30 1989

CONDITIONS OF APPROVAL, IF ANY: Hold C-104 for PTA on present monitor conversion & NSP approval

Subject to Appropriation
 District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-102
 Revised 1-1-89

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

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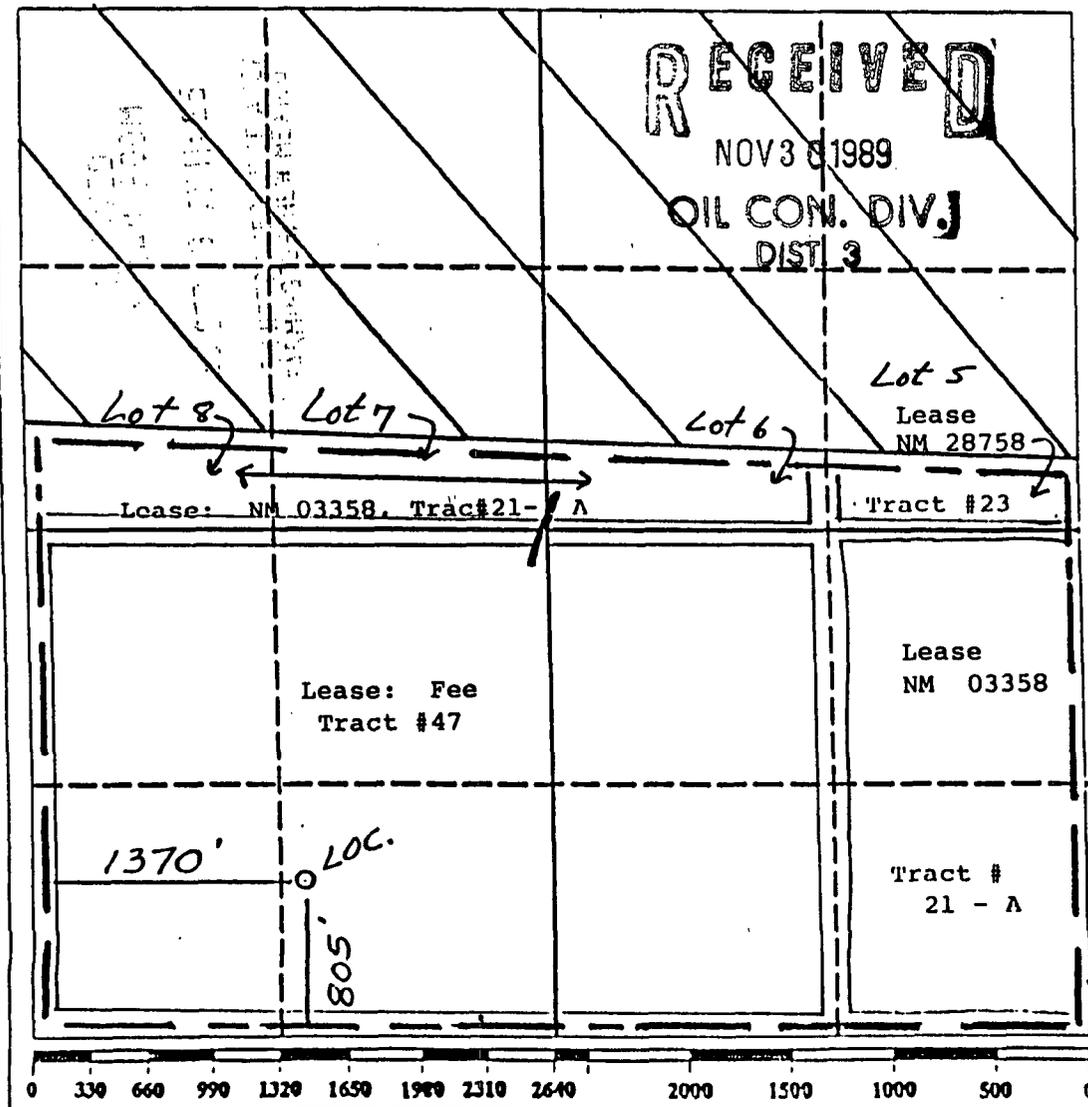
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OPERATOR CERTIFICATION
 I hereby certify that the information contained herein is true and complete to best of my knowledge and belief.

Signature: *William F. Clark*
 Printed Name: William F. Clark
 Position: Operations Manager
 Company: Blackwood & Nichols
 Date: August 9, 1989

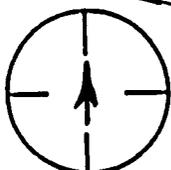
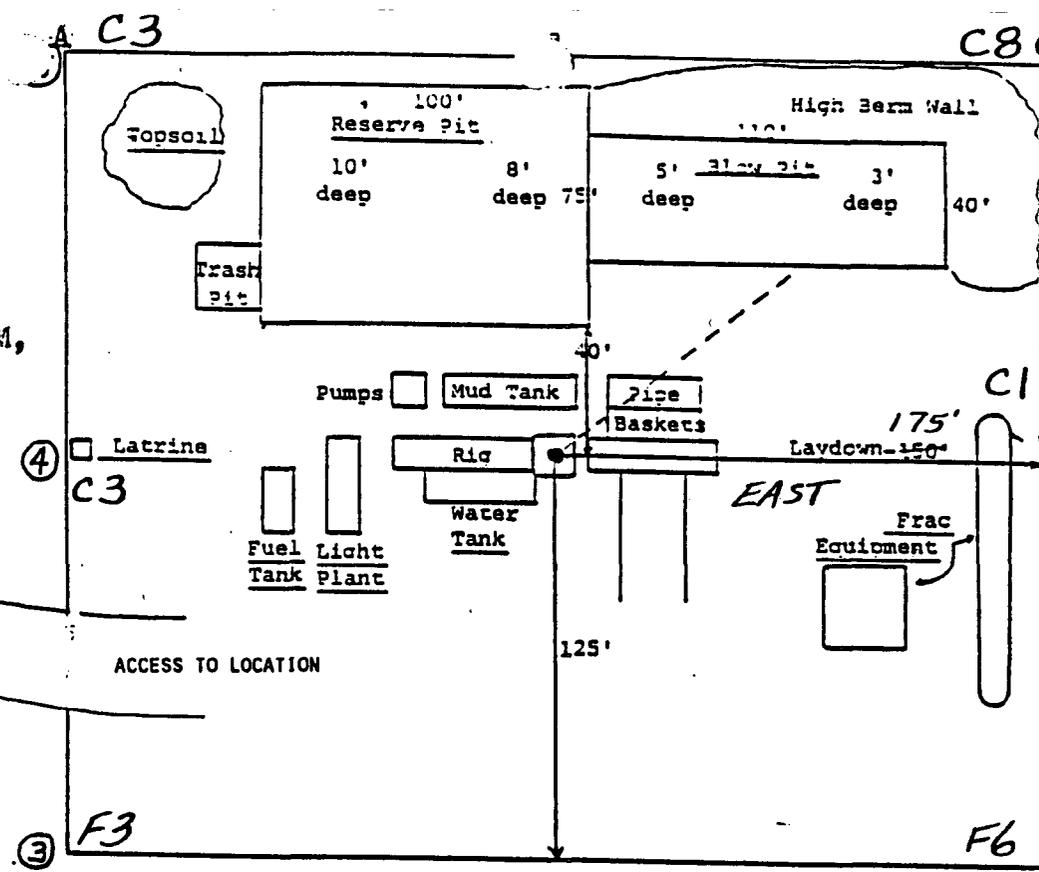
SURVEYOR CERTIFICATION
 I hereby certify that the well location shown on this plat was plotted from field notes actual surveys made by me or under supervision, and that the same is true, correct to the best of my knowledge and belief.

Date Surveyed: _____
 Signature of Seal of Professional Surveyor: *Neale V. Edwards*
 Certificate No. 6857

Blackwood & Nichols
Co., LTD.

Northeast Blanco Unit
#462

805' FSL, 1370' FWL,
Sec. 1, T31N, R7W, NMPM,
San Juan County, NM



A - A' Vert.: 1" = 10' Horiz.: 1" = 50' C/L 300' / 350'

6067	[Hand-drawn geological profile across the table]						
6057	[Hand-drawn geological profile across the table]						
6047	[Hand-drawn geological profile across the table]						

B - B' C/L

6067	[Hand-drawn geological profile across the table]						
6057	[Hand-drawn geological profile across the table]						
6047	[Hand-drawn geological profile across the table]						

C - C' C/L

6067	[Hand-drawn geological profile across the table]						
6057	[Hand-drawn geological profile across the table]						
6047	[Hand-drawn geological profile across the table]						



MOORE ANTHROPOLOGICAL RESEARCH

P.O. Box 1156, Aztec, New Mexico 87410

(505) 334-6675

August 11, 1989

Jim Abbey
Blackwood and Nichols Co., Ltd.
P.O. Box 1237
Durango, Colorado 81302-1237

Dear Mr. Abbey:

Enclosed you will find a copy of our report for a proposed gas well location the Northeast Blanco Unit 462 located on Burnt Mesa, San Juan County, New Mexico. Two archaeological sites and three isolated loci were discovered.

We have recommended clearance with the recommendation that construction of the well be monitored. The Bureau of Land Management will make the final clearance determination after reviewing our report and will notify you of their decision.

An invoice for our services is enclosed. We have enjoyed working with you on this project and look forward to serving you in the future. If you have any questions concerning this report feel free to contact us.

Sincerely,

Roger A. Moore

cc:Bureau of Land Management, Farmington Resource Area (3)

