



BRUCE KING
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

November 15, 1982

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Cooney & Tully
P. O. Box 268
Farmington, New Mexico 87499-0268

Attention: Richard T. C. Tully

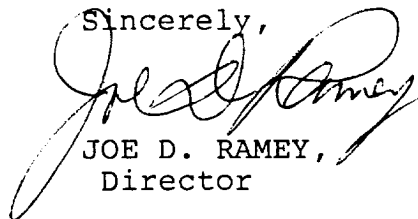
Administrative Order NSL-1603

Gentlemen:

Reference is made to your application on behalf of Bolack Minerals Company for a non-standard location for their Canyon Largo Unit Well No. 320 to be located 860 feet from the North line and 1110 feet from the West line of Section 1, Township 24 North, Range 6 West, NMPM, Gallup formation, Rio Arriba County, New Mexico.

By authority granted me under the provisions of Rule 104 F of the Division Rules and Regulations, the above-described unorthodox location is hereby approved.

Sincerely,



JOE D. RAMEY,
Director

JDR/RLS/dr

cc: Oil Conservation Division - Aztec
Oil & Gas Engineering Committee - Hobbs
Minerals Management Service - Farmington



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

DATE 12-7-92

RE: Proposed MC _____
Proposed DHC _____
Proposed NSL ✓ _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated Oct 25 1992
for the Boback Minerals Co. CLU # 320 D-1-24.0-SW
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve

Yours truly,

Jeff A. Edmister

COONEY & TULLY
ATTORNEYS AT LAW
811 WEST APACHE
POST OFFICE BOX 268
FARMINGTON, NEW MEXICO 87499-0268
505-327-3388

RICHARD T. C. TULLY, P.A.
RICHARD T. C. TULLY

JAMES B. COONEY, P.A.
JAMES B. COONEY (1908-1979)

October 22, 1982

Joe D. Ramey
Division Director
NEW MEXICO OIL CONSERVATION DIVISION
Box 2088
Santa Fe, New Mexico 87501

RE: Application for Administrative Approval of Unorthodox Location of the
Canyon Largo Unit #320 Well in Rio Arriba County, New Mexico

Dear Mr. Ramey:

Enclosed are the following items regarding the Application for Administrative Approval of the Unorthodox Location of the Canyon Largo Unit #320 Well which will be located in Lots 3, 4, 5, 6, 11, and 12 (NW/4) of Section 1, Township 24 North, Range 6 West, N.M.P.M., Rio Arriba County, New Mexico:

1. Three copies of the Application for Administrative Approval of the Unorthodox Location for the above-captioned well.
2. Three copies of a plat showing the ownership of all leases offsetting Lots 3, 4, 5, 6, 11, and 12 (NW/4) of Section 1, Township 24 North, Range 6 West, N.M.P.M. This plat also shows all of the wells completed on these leases.
3. Three copies of a Certificate of Mailing stating that all operators of leases offsetting the dedicated acreage for this well, the Supervisor of the District III Office of the New Mexico Oil Conservation Division, and the U. S. Minerals Management Service have been notified of the Application by certified mail.

If you need further information or assistance, please advise.

Sincerely,

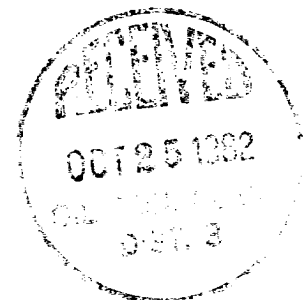
Richard T. C. Tully

RICHARD T.C. TULLY

for Applicant
BOLACK MINERALS COMPANY

RTCT:tlp

Enclosures



Joe D. Ramey, Division Director
NEW MEXICO OIL CONSERVATION DIVISION
October 22, 1982
Page Two

cc w/enc: NEW MEXICO OIL CONSERVATION DIVISION
1000 Rio Brazos Road
Aztec, New Mexico 87410

MINERALS MANAGEMENT SERVICE
Drawer 600
Farmington, New Mexico 87401

American Petrofina Company of Texas
P. O. Box 2159
Dallas, Texas 75221

D. N. Canfield, Attorney-in-Fact
EL PASO NATURAL GAS COMPANY
P. O. Box 1492
El Paso, Texas 79978

P. A. Dysert, Sr., Vice-President
AMERADA HESS CORPORATION
Box 2040
218 West 6th Street
Tulsa, Oklahoma 74102

Sam W. Sims, Jr., Vice-President
KIMBELL OIL COMPANY
3000 Fort Worth National Bank Building
Fort Worth, Texas 76102

Nancy Wilcox E. Qualls
P. O. Box 187
El Paso, Texas 79942

Rhett Caltrider
GETTY OIL COMPANY
Three Park Central, Suite 7000
1515 Arapahoe Street
Denver, Colorado 80202

Tom and Tommy Bolack, General Partners
BOLACK MINERALS COMPANY
Route 3 South, Box 47
3901 Bloomfield Highway
Farmington, New Mexico 87401

William R. Speer
Box 255
Farmington, New Mexico 87401

APPLICATION FOR ADMINISTRATIVE APPROVAL
OF UNORTHODOX LOCATION

Applicant: Bolack Minerals Company (Operator)
Route 3 South, Box 47
3901 Bloomfield Highway
Farmington, New Mexico 87401

(See attached copy of Designation of Agent dated August 31,
1982 from El Paso Natural Gas Company to Bolack Minerals
Company)

Lease: USA SF 080594

Lease Date: September 1, 1951

Lease Term: 5 years

Lands Described in Lease
Dedicated to the Well:

Township 24 North, Range 6 West, N.M.P.M.
Section 1: Lots 3, 4, 5, 6, 11, 12 (NW/4)
Containing 182.45 acres, more or less
Rio Arriba County, New Mexico

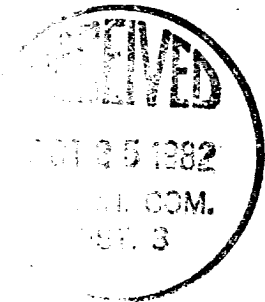
Name of Well: Canyon Largo Unit #320 Well

Proposed Unorthodox Location:

Township 24 North, Range 6 West, N.M.P.M.
Section 1: 860' FNL, 1110' FWL
(Unit Letter D)

(See attached copy of Well Location
Plat and Topographic Map)

Reason for Unorthodox Location: See attached explanation entitled "Request
for Unorthodox Location..."



REQUEST FOR UNORTHODOX LOCATION FOR BOLACK
MINERALS CO. #320 CANYON LARGO UNIT GALLUP WELL
NW/4 NW/4 SEC. 1, T24N, R6W, RIO ARRIBA CO, N.M.

1. The New Mexico Oil Conservation Division spacing regulations for a standard location for either gas or oil in the San Juan Basin (which the proposed #320 Canyon Largo Unit can be) requires a location within a 200 foot square in the NW/4 NW/4 (the preferred geological location) which is 790 to 990 feet from the north and west lines of the section.

2. There already exist two well locations in this quarter-quarter section - the #83 Canyon Largo Unit located 990 feet from the north and west lines (a Pictured Cliffs well) and the #110 Canyon Largo Unit located 1190 feet from the north line and 990 feet from the west line (a Dakota well) of Section 1, Township 24 North, Range 6 West.

3. On October 19, 1982, W. R. Speer, a consulting geologist, and F. B. Kerr, a registered professional engineer and land surveyor, attempted to stake a location for the #320 Canyon Largo Unit 790 feet from the north and west lines to stay as far as legally possible from the existing wells (as discussed with and requested by El Paso Natural Gas, operator of the wells), however it was discovered that this location fell almost upon a Southern Union Gas Company pipeline running northwest-southeast through the area immediately west of the two existing wells.

4. Although several locations within the legal square were run in, it was determined that no location could be sited that would allow the construction of a drill pad with the necessary derrick lay-down and reserve pit room which did not interfere with existing (a) wellheads, (b) separators and tankage, (c) drain pits, or (d) buried gathering system pipelines.

5. Accordingly, an alternate location of 860 feet from the north line and 1110 feet from the west line was staked as the most reasonable to remain as close to the legal requirements as possible, but avoid the possibility of interfering with or disrupting the production facilities of the adjoining wells. In addition, it was located to take advantage of the existing topography to disturb as little additional surface area as necessary by extending the existing well pads, placing pits downhill from these pads, and utilizing the already-existent access roads.

6. The unorthodox staked location is moved away from the section boundary lines and from other surrounding lessees toward property already leased by Bolack Minerals Company, hence it should not interfere with surrounding leaseholder's rights from a drainage standpoint.

7. It is requested that the New Mexico Oil Conservation Division administratively approve this unorthodox well location for the topographic reasons detailed above.



New Mexico Oil Conservation
Division Rule Authorizing Application

Rule 104 (D) (II) (F)

Offsetting Leases and Operators:

(See attached Plat for location of leases and wells completed)

- A. Kimbell Oil Company
Township 25 North, Range 6 West, N.M.P.M.
Section 35: SE/4
Rio Arriba County, New Mexico
- B. Amerada Hess Corporation
Township 25 North, Range 5 West, N.M.P.M.
Section 36: SW/4
Rio Arriba County, New Mexico
- C. El Paso Natural Gas Company
Township 24 North, Range 6 West, N.M.P.M.
Section 1: NE/4, SE/4
Rio Arriba County, New Mexico
- D. American Petrofina Company of Texas
Township 24 North, Range 6 West, N.M.P.M.
Section 1: SW/4
Rio Arriba County, New Mexico
- E. Getty Oil Company
Township 24 North, Range 6 West, N.M.P.M.
Section 2: SE/4, NE/4
Rio Arriba County, New Mexico
- F. Nancy Wilcox E. Qualls
Township 24 North, Range 6 West, N.M.P.M.
Section 2: SE/4 NE/4
Rio Arriba County, New Mexico

Form C-107
Revised 10-1

SANTA FE, NEW MEXICO 87501

Operator: BOLACK MINERALS COMPANY		Lease CANYON LARGO UNIT		Well No. 320
Unit Letter D	Section 1	Township 24N	Range 6W	County Rio Arriba
Actual Footage Location of Wells: 860 feet from the North line and 1110 feet from the West line				
Ground Level Elev: 6694	Producing Formation		Pool	Dedicated Acreage: Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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.

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

Name: _____

Position

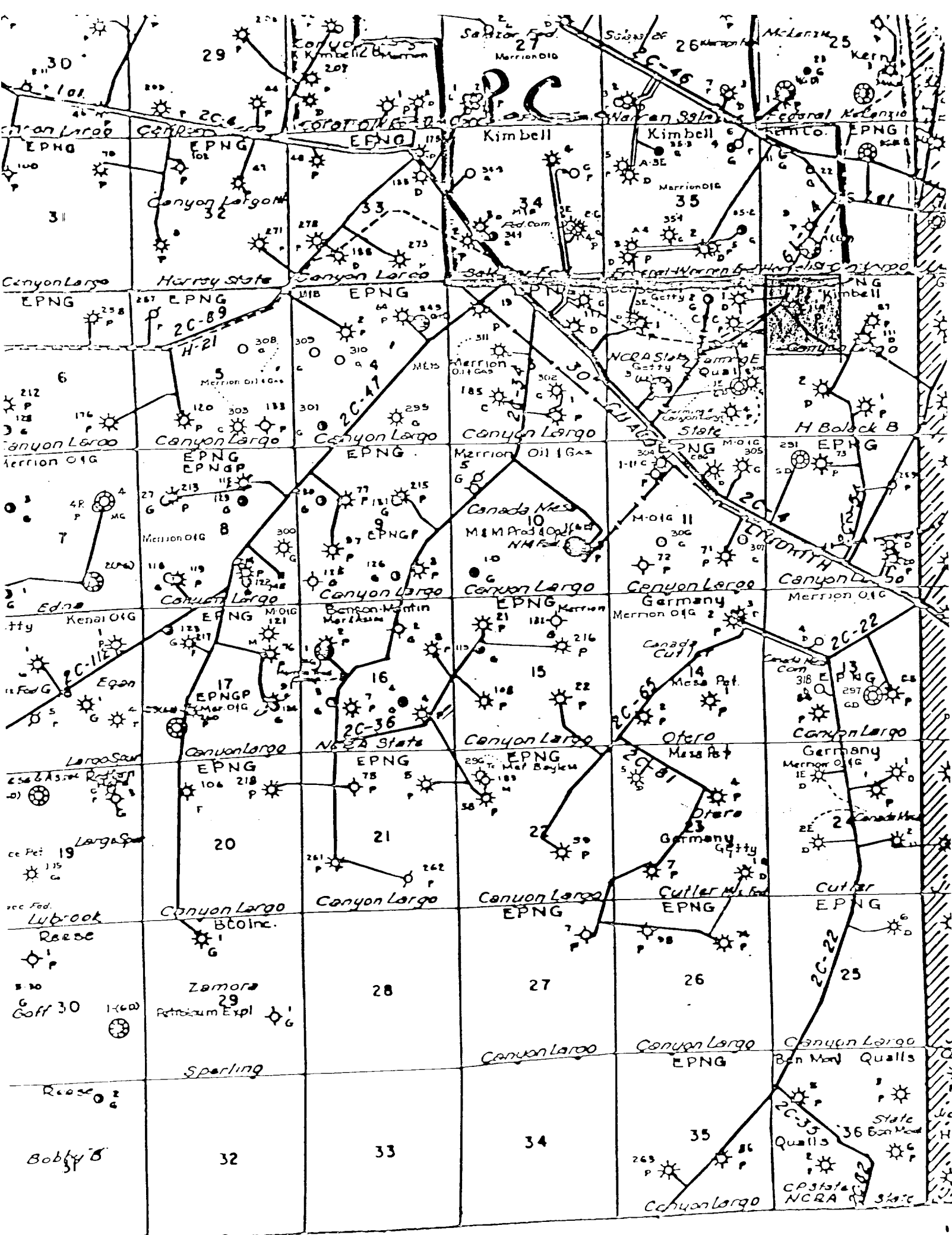
Company

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: **October 19, 1982**
 Registered Professional Engineer
 and Land Surveyor
Fred B. Kerr Jr.
Fred B. Kerr, Jr.
 Certificate No. **6000**

3950



4556 N NW
181 (GONZALES MESA)
183 25
185
186
107°22'30"
36°22'

