

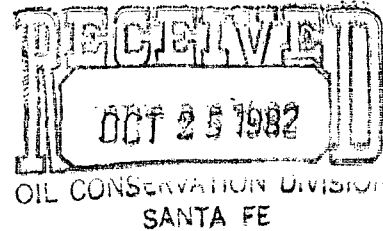
COONEY & TULLY
ATTORNEYS AT LAW
811 WEST APACHE
POST OFFICE BOX 268
FARMINGTON, NEW MEXICO 87499-0268
505-327-3388

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

looks ok
15603
Rule 104 F
800 FN, 1110 FW
D-1-24W-6W
Gallup formation
11-15-82
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

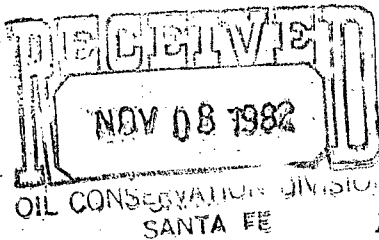
1603

WAIVER OF OBJECTION AND
CONSENT TO THE UNORTHODOX
LOCATION OF THE CANYON LARGO UNIT #320 WELL

The undersigned, as an operator of a lease offsetting the NW/4 of Section 1, Township 24 North, Range 6 West, N.M.P.M., Rio Arriba County, New Mexico, does hereby acknowledge receipt of the Application for Administrative Approval of Unorthodox Location for the Canyon Largo Unit #320 Well.

The undersigned states that it waives any objection that it may have to this unorthodox location, and voluntarily consents to the location of the Canyon Largo Unit #320 Well as stated in the above-mentioned Application.

Dated this 3rd day of November, 1982.



EL PASO NATURAL GAS COMPANY

By:

John A. Ahlman

Title:

Regional Land Manager

Address:

P. O. Box 1492

El Paso, Texas 79978

Send one executed copy to Joe D. Ramey, Division Director, New Mexico Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501, and return one executed copy to the Applicant. The remaining copy is for your files.


WAIVER OF OBJECTION AND
CONSENT TO THE UNORTHODOX
LOCATION OF THE CANYON LARGO UNIT #320 WELL

The undersigned, as an operator of a lease offsetting the NW/4 of Section 1, Township 24 North, Range 6 West, N.M.P.M., Rio Arriba County, New Mexico, does hereby acknowledge receipt of the Application for Administrative Approval of Unorthodox Location for the Canyon Largo Unit #320 Well.

The undersigned states that it waives any objection that it may have to this unorthodox location, and voluntarily consents to the location of the Canyon Largo Unit #320 Well as stated in the above-mentioned Application.

Dated this 29th day of October, 1982.

GETTY OIL COMPANY

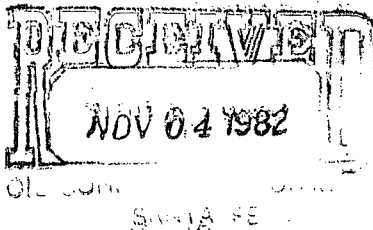
By: T. L. Ditmore 

Title: District Production Manager

Address: Three Park Central, Suite 7000

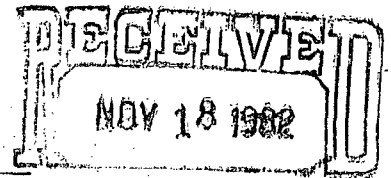
1515 Arapahoe Street

Denver, Colorado 80202



Send one executed copy to Joe D. Ramey, Division Director, New Mexico Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501, and return one executed copy to the Applicant. The remaining copy is for your files.

WAIVER OF OBJECTION AND
CONSENT TO THE UNORTHODOX
LOCATION OF THE CANYON LARGO UNIT #320 WELL



SANTA FE

The undersigned, as an operator of a lease offsetting the NW/4 of Section 1, Township 24 North, Range 6 West, N.M.P.M., Rio Arriba County, New Mexico, does hereby acknowledge receipt of the Application for Administrative Approval of Unorthodox Location for the Canyon Largo Unit #320 Well.

The undersigned states that it waives any objection that it may have to this unorthodox location, and voluntarily consents to the location of the Canyon Largo Unit #320 Well as stated in the above-mentioned Application.

Dated this 15th day of November, 1982.

KIMBELL OIL COMPANY

By: Jay W. Kibling

Title: Vice Pres

Address: 3000 Fort Worth National Bank Bldg.

Fort Worth, Texas 76102

Send one executed copy to Joe D. Ramey, Division Director, New Mexico Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501, and return one executed copy to the Applicant. The remaining copy is for your files.

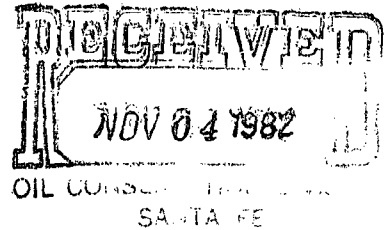
1603



Getty Oil Company | Three Park Central, Suite 700, 1515 Arapahoe St., Denver, CO 80202 • 303/623-4200

T. L. Ditmore, District Production Manager
Denver Exploration and Production District

October 29, 1982



Mr. Joe D. Ramey
Division Director
New Mexico Oil Conservation Division
Box 2088
Santa Fe, New Mexico 87501

RE: COONEY AND TULLY
BOLACK MINERALS APPLICATION
FOR UNORTHODOX LOCATION
CANYON LARGO UN. NO. 320
NW/4 SEC. 1, T24N-R6W
RIO ARriba COUNTY, NEW MEXICO

Gentlemen:

Getty Oil Company approves the unorthodox well location shown above as applied for by Cooney and Tully.

We have attached an executed copy of the "Waiver of Objection" for Canyon Largo Unit Well No. 320.

Very truly yours,

T. L. Ditmore

WJD -
ETK

AWL:sat
Attachment

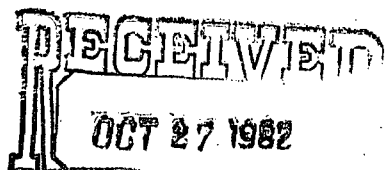
cc: Cooney and Tully
Attorneys at Law

WAIVER OF OBJECTION AND
CONSENT TO THE UNORTHODOX
LOCATION OF THE CANYON LARGO UNIT #320 WELL

The undersigned, as an operator of a lease offsetting the NW/4 of Section 1, Township 24 North, Range 6 West, N.M.P.M., Rio Arriba County, New Mexico, does hereby acknowledge receipt of the Application for Administrative Approval of Unorthodox Location for the Canyon Largo Unit #320 Well.

The undersigned states that it waives any objection that it may have to this unorthodox location, and voluntarily consents to the location of the Canyon Largo Unit #320 Well as stated in the above-mentioned Application.

Dated this 25 day of October, 1982.



OIL CONSV.

SANTA FE

AMERICAN PETROFINA COMPANY OF TEXAS

By: _____

Title: _____

Address: _____

Dallas, Texas 75221

Send one executed copy to Joe D. Ramey, Division Director, New Mexico Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501, and return one executed copy to the Applicant. The remaining copy is for your files.

APPLICATION FOR ADMINISTRATIVE APPROVAL
OF UNORTHODOX LOCATION

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

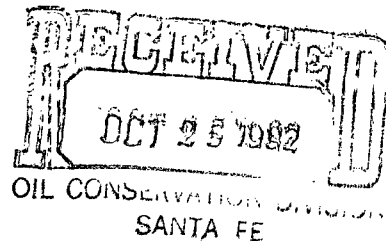
(See attached copy of Designation of Agent dated August 31,
1982 from El Paso Natural Gas Company to Bolack Minerals
Company)

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

DESIGNATION OF AGENT

This indenture dated as of the 31 day of August, 1982, by and between EL PASO NATURAL GAS COMPANY, a Delaware corporation, whose address is Post Office Box 1492, El Paso, Texas 79978, and BOLACK MINERALS COMPANY, whose address is Route 3 South, Box 47, 3901 Bloomfield Highway, Farmington, New Mexico 87401.

W I T N E S S E T H:

WHEREAS, under the provisions of the Act of February 25, 1920, 41 Stat. 437, 30 U.S.C., Secs. 181 et seq., as amended by the Act of August 8, 1946, 60 Stat. 950, the Secretary of the Interior on the 18th day of September, 1953, approved a Unit Agreement for the Canyon Largo Unit area and the Commissioner of Public Lands of the State of New Mexico on June 3, 1953, consented to and approved said Unit Agreement by authority of Chapter 88 of the Laws of the State of New Mexico, 1943, approved April 14, 1943, and the State of New Mexico Oil Conservation Commission on June 2, 1953, approved said Unit Agreement by authority of Act of the Legislature (Chapter 72, Laws 1935), wherein The Superior Oil Company was designated as Unit Operator; and

WHEREAS, The Superior Oil Company has resigned as such Operator and, in accordance with the terms of the Canyon Largo Unit Agreement, El Paso Natural Gas Company was appointed and has accepted and assumed the duties of the successor Unit operator; and

WHEREAS, El Paso Natural Gas Company now desires to appoint Bolack Minerals Company as Agent, to perform certain duties under the Canyon Largo Unit and whereas Bolack Minerals Company desires to accept and assume the duties of Agent, as set forth below;

NOW, THEREFORE, it is mutually agreed as follows:

1. El Paso Natural Gas Company, as Unit Operator of the Canyon Largo Unit Agreement, hereby designates Bolack Minerals Company as Agent to drill, test, complete, operate and/or plug and abandon Gallup Formation wells in the following described portion of the Unit area:

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,

with the exception of the Canyon Largo Unit #89 Well located in the SW/4 SW/4 of Section 17, T-24-N, R-6-W, and the Canyon Largo Unit #106 Well located in the NE/4 NW/4 of Section 20, T-24-N, R-6-W, which wells will continue to be operated by El Paso Natural Gas Company.

2. El Paso Natural Gas Company hereby covenants and agrees to comply or secure compliances with all obligations of the Unit Agreement with respect to the above described portion of the Unit area and to file all applications required or necessitated by the terms of such Agreement.

3. It is specifically understood that this Designation of Agent does not relieve El Paso Natural Gas Company of its responsibilities as Unit Operator of the Canyon Largo Unit.

4. It is further understood and agreed that El Paso Natural Gas Company, as Unit Operator of the Canyon Largo Unit area, may, at its option, revoke this Designation of Agent by giving written notice of such revocation to Bolack Minerals Company and the Supervisor, Oil and Gas Operations, the United States Geological Survey.

IN WITNESS WHEREOF, this instrument is executed by the parties hereto as of the date hereinabove set forth.

EL PASO NATURAL GAS COMPANY

By D. N. Canfield
D. N. Canfield, Attorney in Fact

11/11
Tua
11

BOLACK MINERALS COMPANY

Tommy Bolack
Tommy Bolack, General Partner

BOLACK MINERALS COMPANY

By Tom Bolack
Tom Bolack, General Partner

STATE OF TEXAS)

COUNTY OF EL PASO)

The foregoing instrument was acknowledged before me this 31 day of August, 1982, by D. N. CANFIELD, Attorney-in-Fact for EL PASO NATURAL GAS COMPANY, a Delaware corporation, on behalf of said corporation.

Anne F. Griep
Notary Public

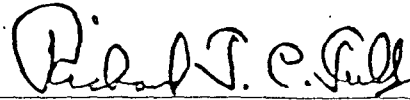
My Commission Expires:

ANNE F. GRIEP

Notary Public in and for STATE of TEXAS
My Commission Expires 09-30-84

STATE OF NEW MEXICO)
) ss.
COUNTY OF SAN JUAN)

The foregoing instrument was acknowledged before me this 15th day of October, 1982, by Tom Bolack and Tommy Bolack, General Partners of BOLACK MINERALS COMPANY, a New Mexico Limited Partnership, on behalf of said Limited Partnership.



Notary Public

My Commission Expires:

Oct. 7, 1985

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

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 Well: 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 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 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.

860'	1110'	Sec.	1
------	-------	------	---

Scale: 1"=1000'

CERTIFICATION

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

Name

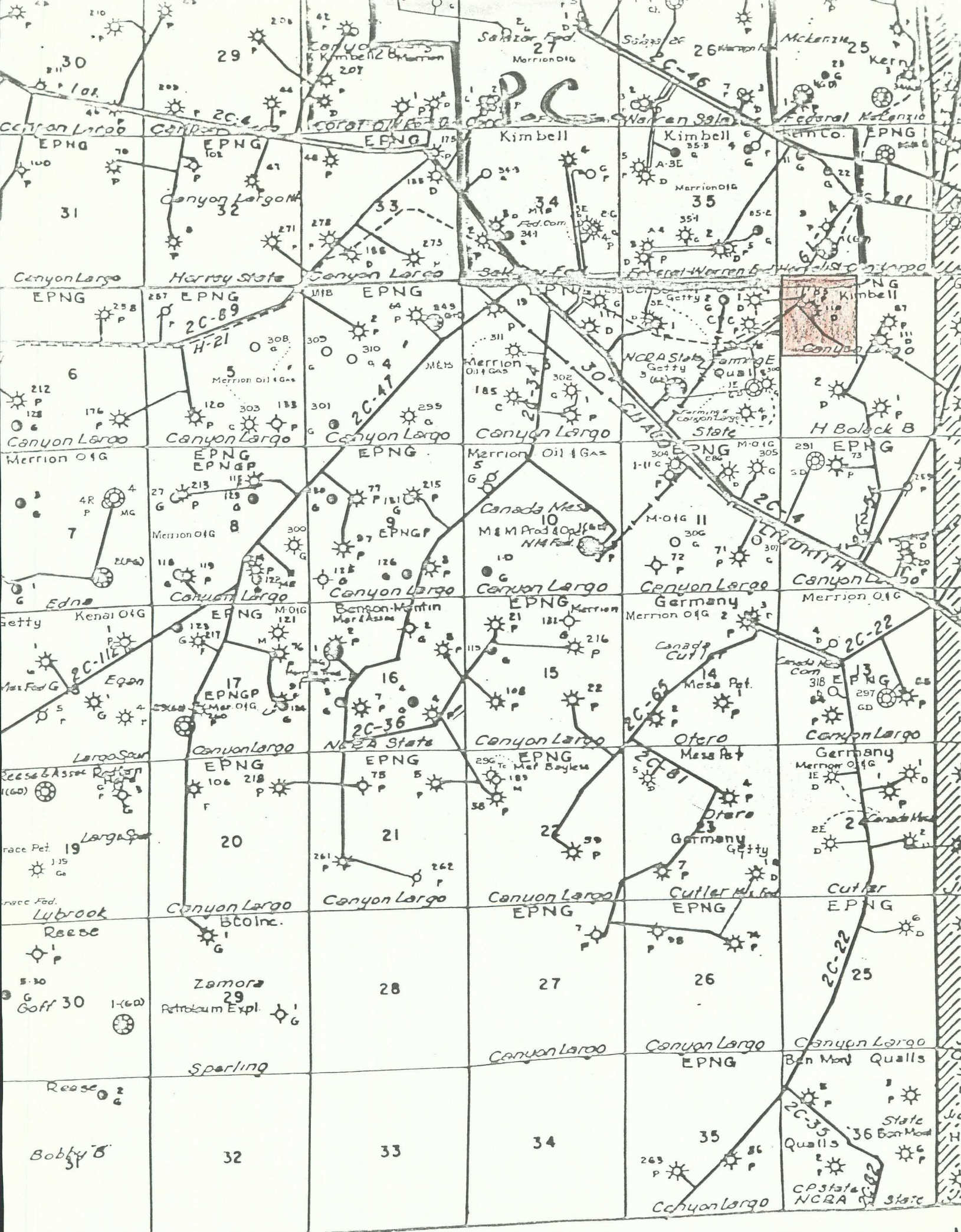
Position

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 E. Kert Jr.
Certificate No. 3950



7.5 MINUTUM

107 22 30 36 22 23

4556 N NW
281 (GONZALES MESA)

283 25 R 6 W R 5 W

286

4027

4026

1950 00
FEET

T 25 N

T 24 N

4075

4072

4071

