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OIL CONSERVATION DIVISION

OIL CONSERVATION DIV.  
SANTA FE

DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF  
BLACKWOOD & NICHOLS CO. A LIMITED  
PARTNERSHIP FOR DIRECTIONAL DRILLING,  
AND AN UNORTHODOX WELL LOCATION,  
RIO ARRIBA COUNTY, NEW MEXICO.

CASE NO. 10201

**APPLICATION**

COMES NOW BLACKWOOD & NICHOLS CO. A LIMITED PARTNERSHIP,  
through its undersigned attorneys, and hereby makes application pursuant to Oil  
Conservation Division Rule 111 to directionally drill its Northeast Blanco Unit Well No.  
475, Basin Fruitland Coal Gas Pool, and for an unorthodox gas well location, and in  
support of this application states:

1. Applicant is the operator of the Basin-Fruitland Coal Gas Pool, underlying  
the following described lands:

**TOWNSHIP 30 NORTH, RANGE 7 WEST, N.M.P.M.**

Section 19: E/2

containing 320-acres, more or less.

2. Applicant proposes to directionally drill its Northeast Blanco Unit Well No.  
475 from a surface location of 2560 feet from the South line and 1695 feet from the West  
line of Section 20, Township 30 North, Range 7 West, N.M.P.M., to a bottomhole location  
within 50 feet of a point 1750 feet from the North line and 54 feet from the East line of

Section 19, Township 30 North, Range 7 West, N.M.P.M., Rio Arriba County, New Mexico, with the intent of testing the Fruitland formation, Basin-Fruitland Coal Gas Pool.

3. The E/2 of Section 19 will be dedicated to this well.

4. The subject well is located in close proximity to Navajo Lake and must be directionally drilled to the above-referenced unorthodox location to enable the applicant to produce the reserves which underlie the above-described proration unit and, at the same time, keep the well a safe distance away from Navajo Dam.

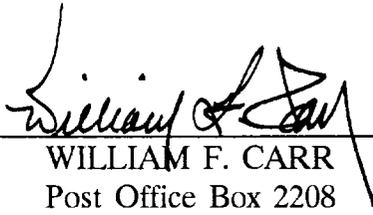
5. Attached hereto and incorporated herein is a copy of OCD Form C-102 showing the proposed surface and bottomhole location for the subject well and a plat showing the general topography of the proposed proration unit.

6. Approval of this Application will enable the Applicant to produce hydrocarbons that otherwise would not be produced and will otherwise be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

**WHEREFORE**, Applicant requests that this matter be set for hearing before a duly appointed Examiner of the Oil Conservation Division on January 10, 1991, that notice be given as required by law and the rules of the Division, and that the Division enter its Order granting the Applicant permission to directionally drill its Northeast Blanco Unit Well No. 475 and approving the unorthodox location for this well.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By:   
WILLIAM F. CARR  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
Telephone: (505) 988-4421

ATTORNEYS FOR BLACKWOOD  
& NICHOLS CO. A LIMITED  
PARTNERSHIP

Submit to Appropriate 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**  
 P.O. Box 1980, Hobbs, NM 88240

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

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

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

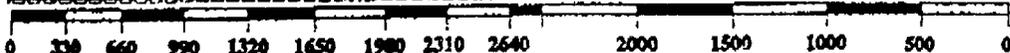
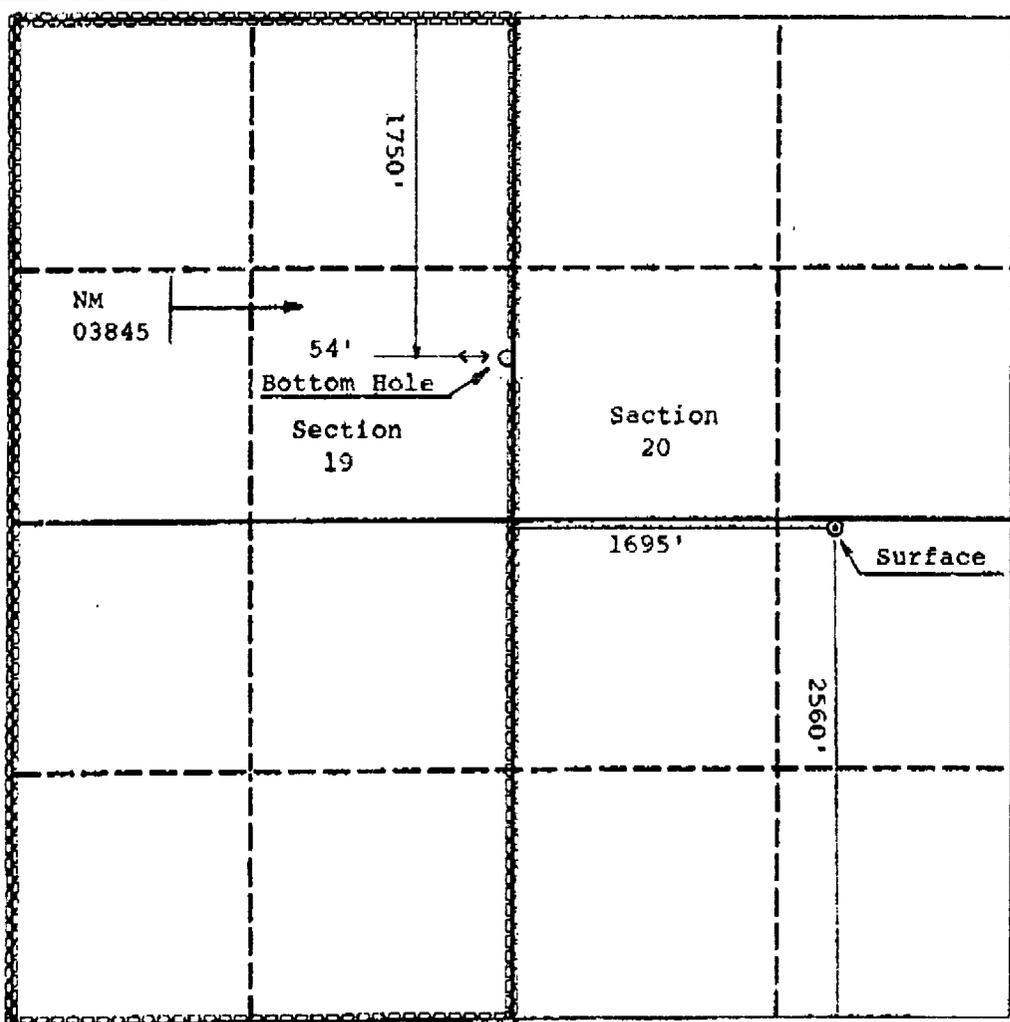
All Distances must be from the outer boundaries of the section

Operator Blackwood & Nichols Co, A Limited Partnership		Lease Northeast Blanco Unit		Well No. 475
Unit Letter K	Section	Township 30N	Range 7W	County NMPM Rio Arriba
Actual Footage Location of Well: Bottom Hole: 1750' FNL - 54' FEL, Section 19				
face: 2560 feet from the South line and		1695 feet from the West line Section 20		
Ground level Elev. 6405'	Producing Formation Fruitland Coal	Pool Basin Fruitland Coal	Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure 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, force-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



**OPERATOR CERTIFICATION**

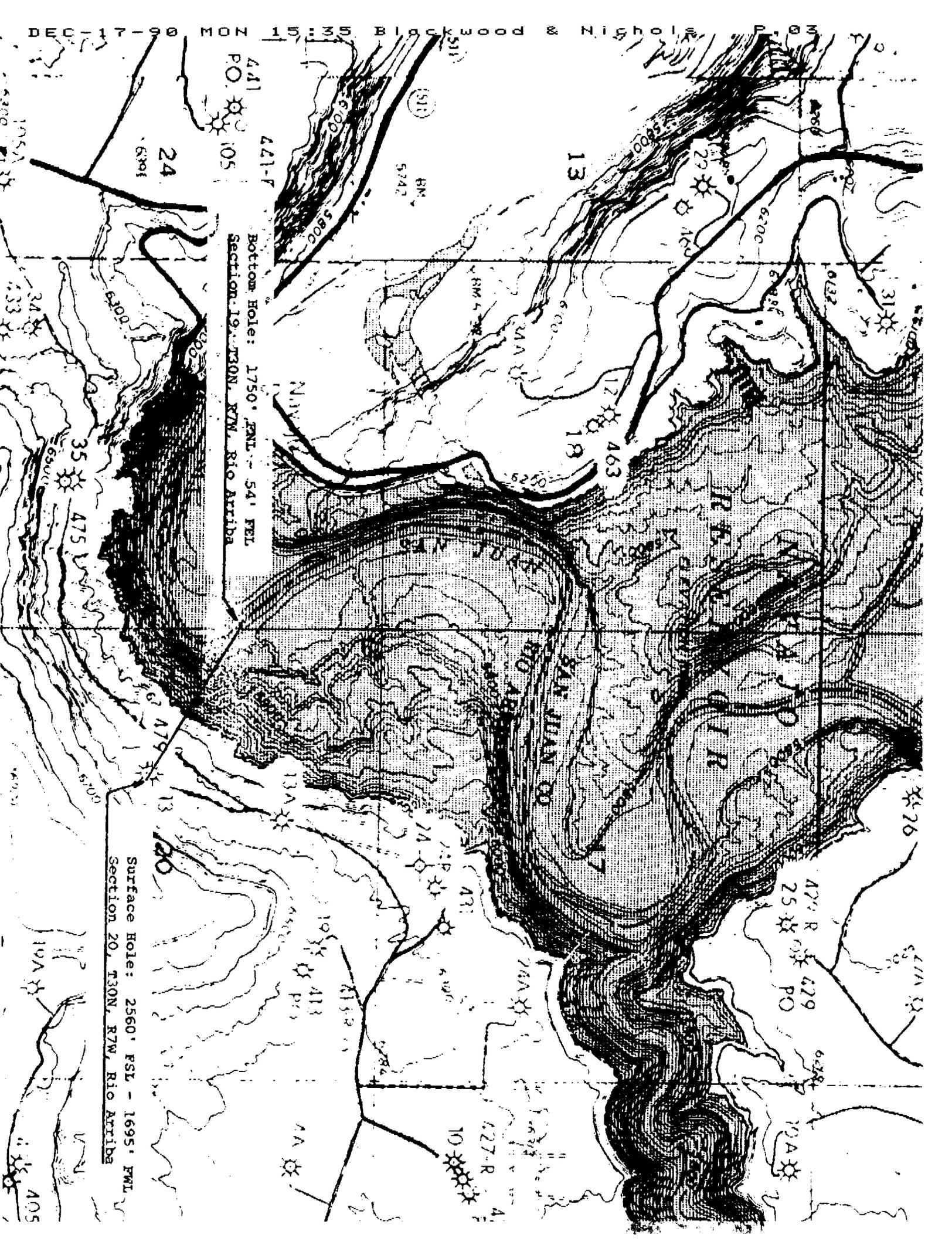
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *R.W. Williams*  
 Printed Name: Roy W. Williams  
 Position: Administrative Manager  
 Company: Blackwood & Nichols Co., A Limited Partnership  
 Date: 12/17/90

**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: 12/10/90

Date Surveyed: *[Signature]*  
 Signature: *[Signature]*  
 Profession: *[Signature]*  
  
 Certificate: Neal Edwards



Bottom Hole: 1750' FWT - 54' FWT  
Section 19 T30N R7W Rio Arriba

Surface Hole: 2560' PSL - 1695' FWT  
Section 20 T30N R7W Rio Arriba

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