



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

GARREY CARRUTHERS  
GOVERNOR

Date: 12-13-89

ATTN:  
Mike Stagner

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 A

I have examined the application dated 12-13-89  
for the Blackwood & Nichols Co., Ltd. N.E.B.L. #426  
Operator Lease & Well No.

L-6-31N-6W and my recommendations are as follows:  
Unit, S-T-R

Approve administratively if possible

NSP 1590-L

Yours truly,

Erica Bosch

BLACKWOOD & NICHOLS CO., LTD.

P.O. BOX 1237

DURANGO, COLORADO 81302-1237

(303) 247-0728

December 11, 1989

astc  
**RECEIVED**

DEC 13 1989

**OIL CON. DIV  
DIST. 3**

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. 426  
1730' FSL, 740' FWL  
Section 6, T31N, R6W, San Juan County, NM  
Dedicated Acreage: 351.89 Acres (S/2)

Dear Mr. LeMay:

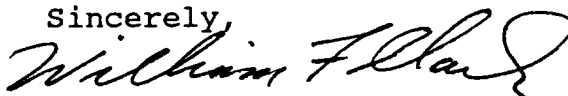
Blackwood & Nichols Co., Ltd. requests administrative approval to produce the above referenced well as a non-standard proration unit. The dedicated acreage includes the south half of Section 6 and Lots 8, 9, 10, and 11 (approximately 31.89 acres) as shown on the attached C-102.

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 6. Currently there are no wells in Section 6, T31N, R6W. However, in April, 1981, the Oil Conservation Division issued Order R-6635 which approved the SW and SE of Section 6 as non-standard units for the Fruitland-Pictured Cliff Pool, see attached. Hopefully this matter can be handled administratively.

Our records show Northwest Pipeline Corp. and Amerada Hess 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 within thirty days.

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  
Amerada Hess - Tulsa, OK

WAIVER:

\_\_\_\_\_ hereby waives objection to Blackwood & Nichols Co., Ltd.'s application for a non-standard proration unit for the Northeast Blanco Unit #426 as proposed above.

By: \_\_\_\_\_

Date: \_\_\_\_\_

and to Appropriate  
District Office  
Sixteen Leases - 4 copies  
For Leases - 3 copies

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-101  
Revised 1-1-89

RECEIVED

DEC 13 1989

OIL CON. DIV.  
DIST. 3

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. 426
Unit Letter L	Section 6	Township 31 North	Range 6. West	County San Juan	
Actual Footage Location of Well: 1730 feet from the South line and 740 feet from the West line					
Ground level Elev. 6419'	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal	Dedicated Acreage: 351.89 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.

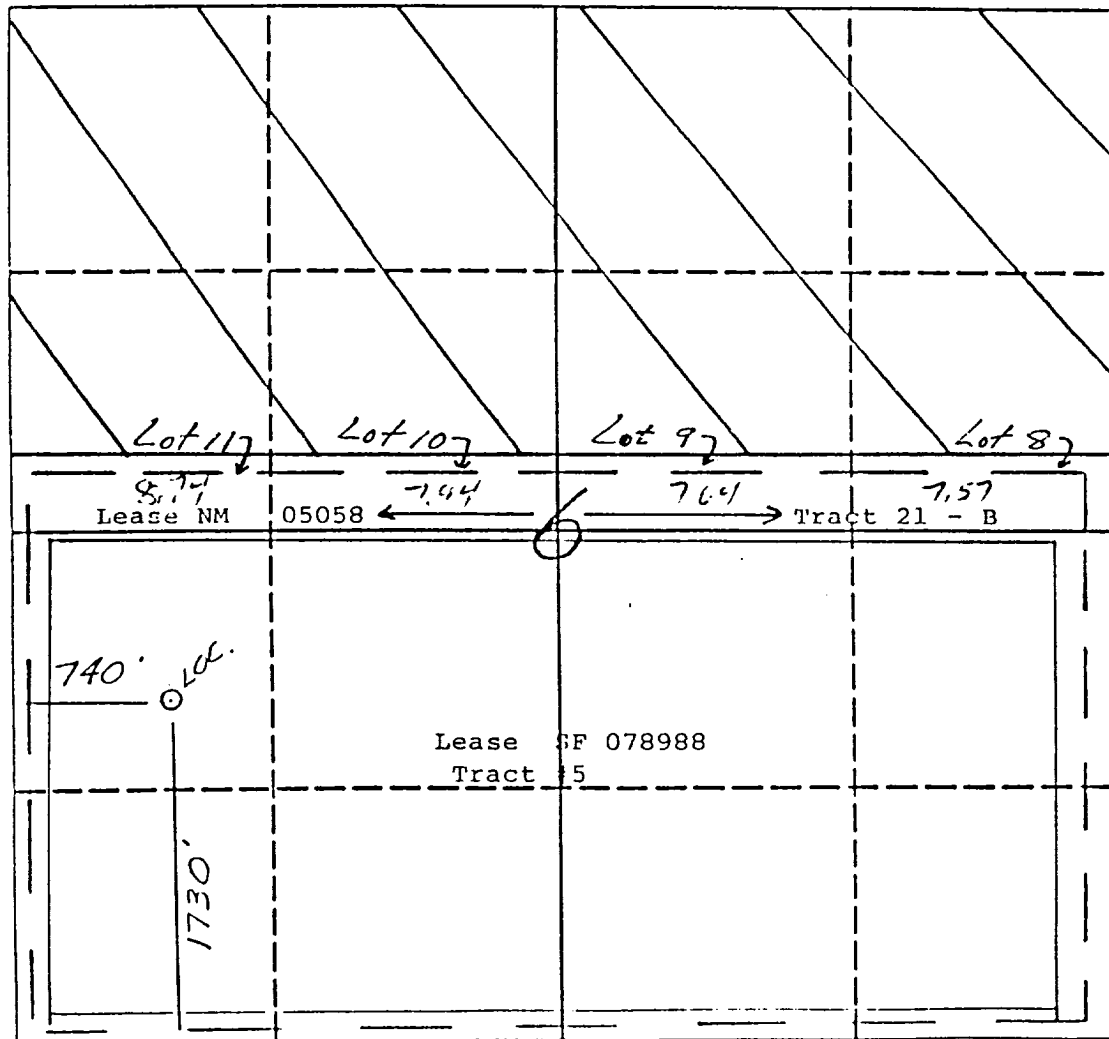
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the 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

Date

SURVEYOR CERTIFICATION

I hereby certify that the well location on this plat was plotted from field notes, 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  
8-7-89

Signature of Sealer  
Neale C. Edwards

Professional Surveyor

Certificate No.  
6857

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

RECEIVED

DEC 13 1989

OIL CON. DIV.  
DIST. 3

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 7187  
Order No. R-6635

APPLICATION OF BLACKWOOD & NICHOLS  
CO., LTD. FOR FOUR NON-STANDARD  
PRORATION UNITS, SAN JUAN COUNTY,  
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on March 11, 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 7th day of April, 1981, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Blackwood & Nichols Co., Ltd., seeks approval of the following four Fruitland and Pictured Cliffs non-standard gas proration units:

a 185.68-acre unit comprising the SW/4 of Section 1, Township 31 North, Range 7 West; a 181.4-acre unit comprising the SE/4 of said Section 1; a 176.68-acre unit comprising the SW/4 of Section 6, Township 31 North, Range 6 West; and a 175.21-acre unit comprising the SE/4 of said Section 6, all of said units to be dedicated to wells to be drilled at standard locations thereon.

(3) That the entire non-standard proration units may reasonably be presumed productive of gas from the Fruitland and Pictured Cliffs formations and that each non-standard gas

proration unit can be efficiently and economically drained and developed by the aforesaid wells.

(4) That approval of the subject application will afford the applicant the opportunity to produce his just and equitable share of the gas in the Fruitland and Pictured Cliffs formations under each of the proposed non-standard proration units, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

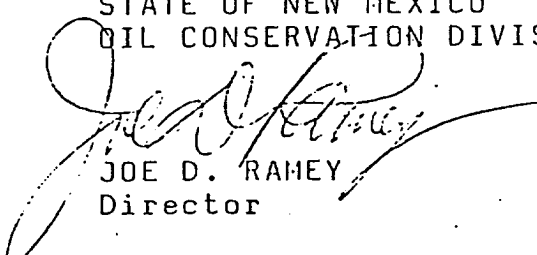
(1) That four Fruitland and Pictured Cliffs non-standard gas proration units in San Juan County, New Mexico, are hereby established and dedicated for the applicant, Blackwood & Nichols Co., Ltd., as follows:

a 185.68-acre unit comprising the SW/4 of Section 1, Township 31 North, Range 7 West; a 181.4-acre unit comprising the SE/4 of said Section 1; a 176.68-acre unit comprising the SW/4 of Section 6, Township 31 North, Range 6 West; and a 175.21-acre unit comprising the SE/4 of said Section 6, all of said units to be dedicated to wells to be drilled at standard locations thereon.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
JOE D. RAMEY  
Director

S E A L  
fd/

**R 7 W**

