

BLACKWOOD & NICHOLS CO., LTD. RECEIVED
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
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.

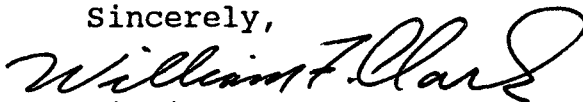
Special Rule for the Basin Fruitland Coal Gas Pool, number 4, allows the spacing unit to be made up of two quarter sections. The referenced well, to insure complete and reasonable acreage utilization, includes the four lots which make up the North 1/2 of Section 1.

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: NMOC, 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: _____

Print to Appropriate
Subject 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

SINCE
J. Box 1980, Hobbs, NM 88240

SINCE
J. Drawer DD, Artesia, NM 88210

SINCE
00 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 N | Section 1 | Township 31 North | Range 7 West | County 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 | |

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

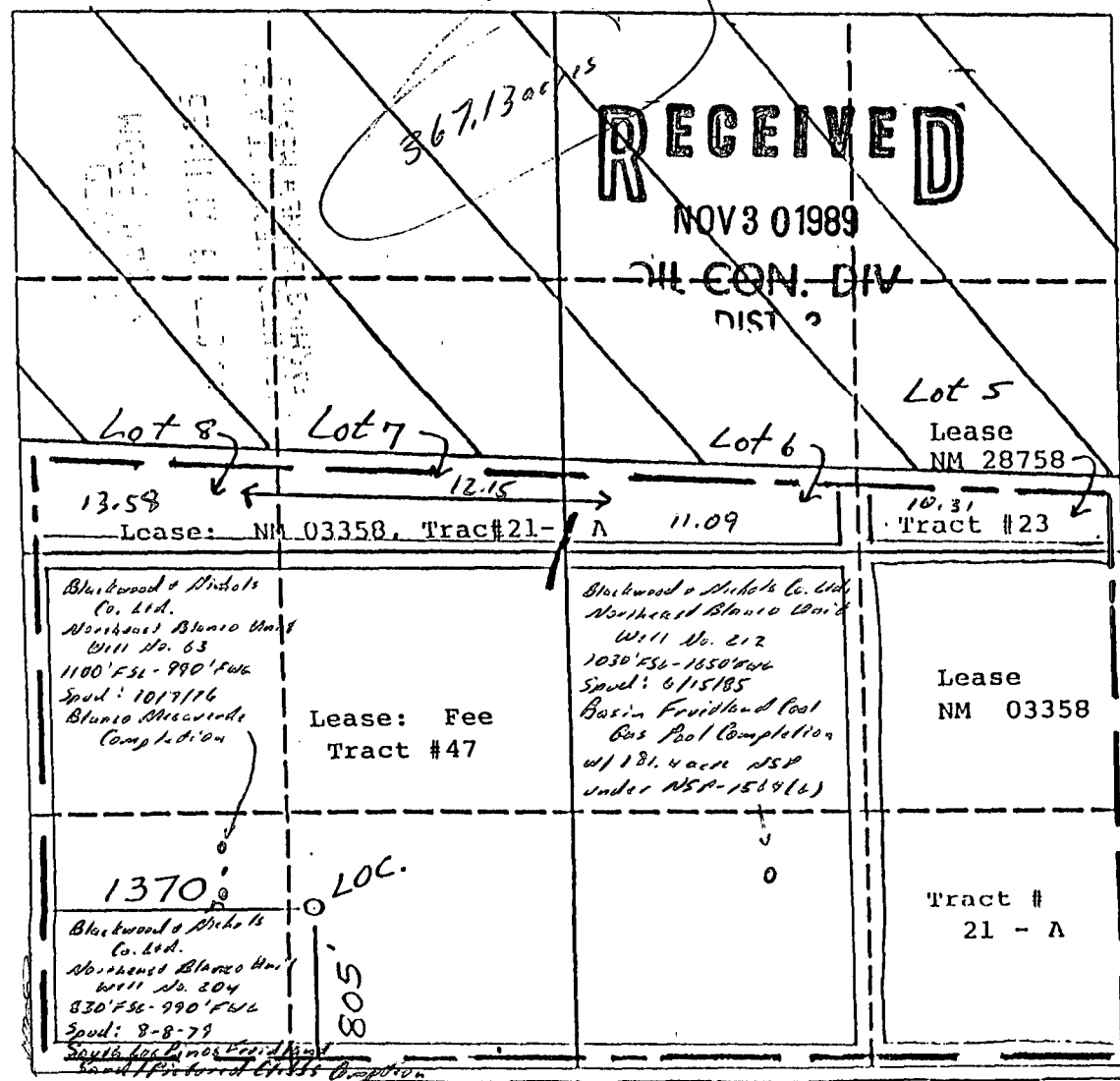
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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

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 and correct to the best of my knowledge and belief.

Date Surveyed
Neal C. Edwards
Signature & Seal of Professional Surveyor
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

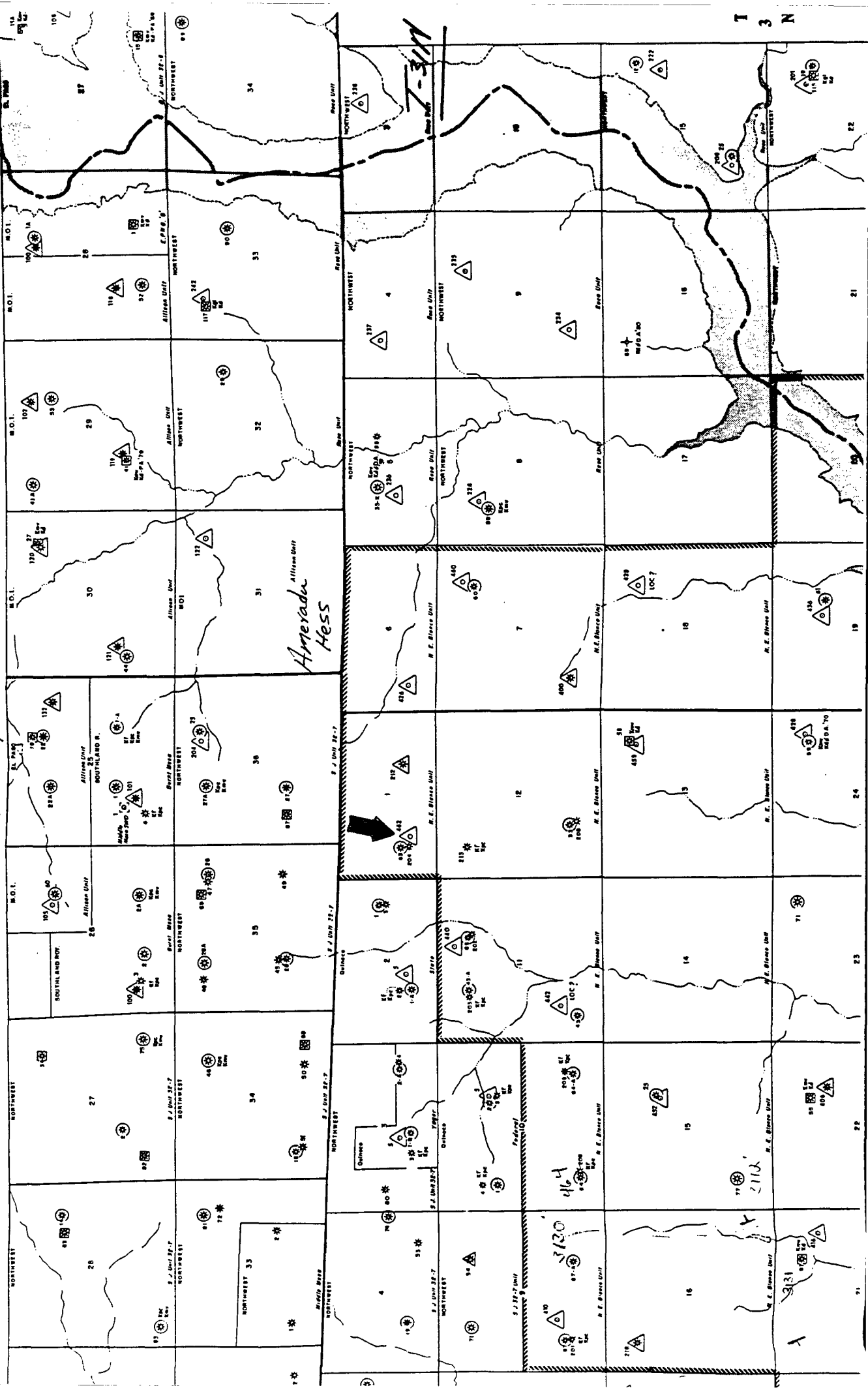
cc: Oil Conservation Commission
Santa Fe, New Mexico

Northeast Blanco Unit Area Map

Well No 462

12-1-89 R 6 W

R 7 W



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
Section 1, T31N, R7W, San Juan County, NM
Dedicated Acreage: 367.10 Acres (S/2)

Dear Mr. LeMay:

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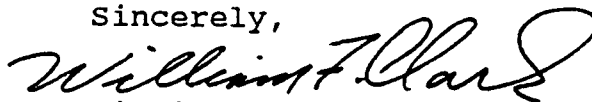
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This non-standard spacing unit is similar to the existing Mesaverde gas proration unit approved by Order R-1670, see attached. Hopefully this matter can be handled administratively.

Our records show Northwest Pipeline Corp. and Quinoco to be offset operators. A copy of this application is being submitted to 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

GARREY CARRUTHERS
GOVERNOR

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

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 Blackburn & Nichols Co., Ltd. N.E.B.U. # 462
Operator Lease & Well No.

N-1-31N-76S and my recommendations are as follows:
Unit, S-T-R

Approve. If it can be administratively
done

Yours truly,

Louis 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 88201

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 ☒
6. State Oil & Gas Lease No.
Fee, Tract #47

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:

DRILL ☒ RE-ENTER ☐ DEEPEN ☐ PLUG BACK ☐

b. Type of Well:

OIL WELL ☐ GAS WELL ☒ OTHER ☐

APPROVAL EXPIRES 5-30-90
UNLESS DRILLING IS COMMENCED
SPUD NOTICE MUST BE SUBMITTED
WITHIN 10 DAYS

2. Name of Operator

Blackwood & Nichols Co., Ltd.

7. Lease Name or Unit Agreement Name

Northeast Blanco Unit

3. Address of Operator

P. O. Box 1237, Durango, CO 81302

8. Well No. 462

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

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | SACKS OF CEMENT | EST. TOP |
|--------------|----------------|-----------------|---------------|-----------------|-----------|
| 12-1/4" | 9-5/8" | 36# | 300' | 250 sx | circulate |
| 8-3/4" | 7" | 23# | 3250' | (A) | circulate |
| 6-1/4" | (B) | (B) | 3473' | (B) | (B) |

(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

Operations Manager

DATE 11-29-89

TYPE OR PRINT NAME

William F. Clark

RECEIVED

TELEPHONE NO.

(This space for State Use)

DEPUTY OIL & GAS INSPECTOR, DIST. 3

NOV 30 1989

OIL CON. DIV.

APPROVED BY

Emilio B. Borch

TITLE

DATE

NOV 30 1989

CONDITIONS OF APPROVAL, IF ANY:

Hold C-104 for PTA & pressure monitor conversion
& NSP approval

Submitted 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

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1000 Rio Brazos Rd., Aztec, NM 87410

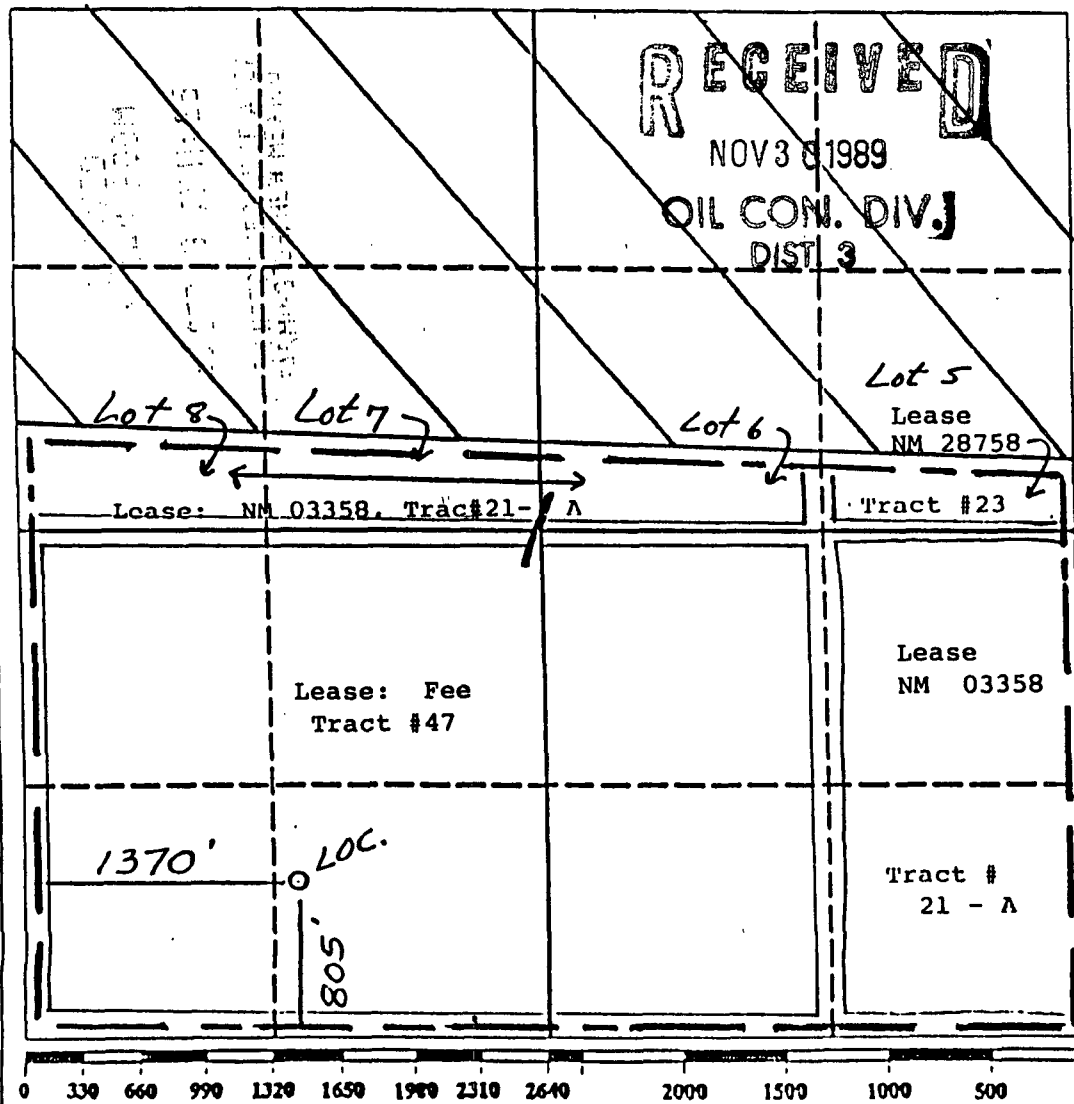
WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

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|---|--------------|---------------------------------------|--------------------------------|------------------------------------|-----------------|
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| Unit Letter N | Section 1 | Township 31 North | Range 7 West | County NM PM San Juan | |
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| Ground level Elev. 6057' | | Producing Formation Fruitland Coal | Pool Basin Fruitland Coal | Dedicated Acreage: 367.10 Acres | |

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☒ 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).
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RECEIVED
NOV 3 1989
OIL CON. DIV.
DIST. 3



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

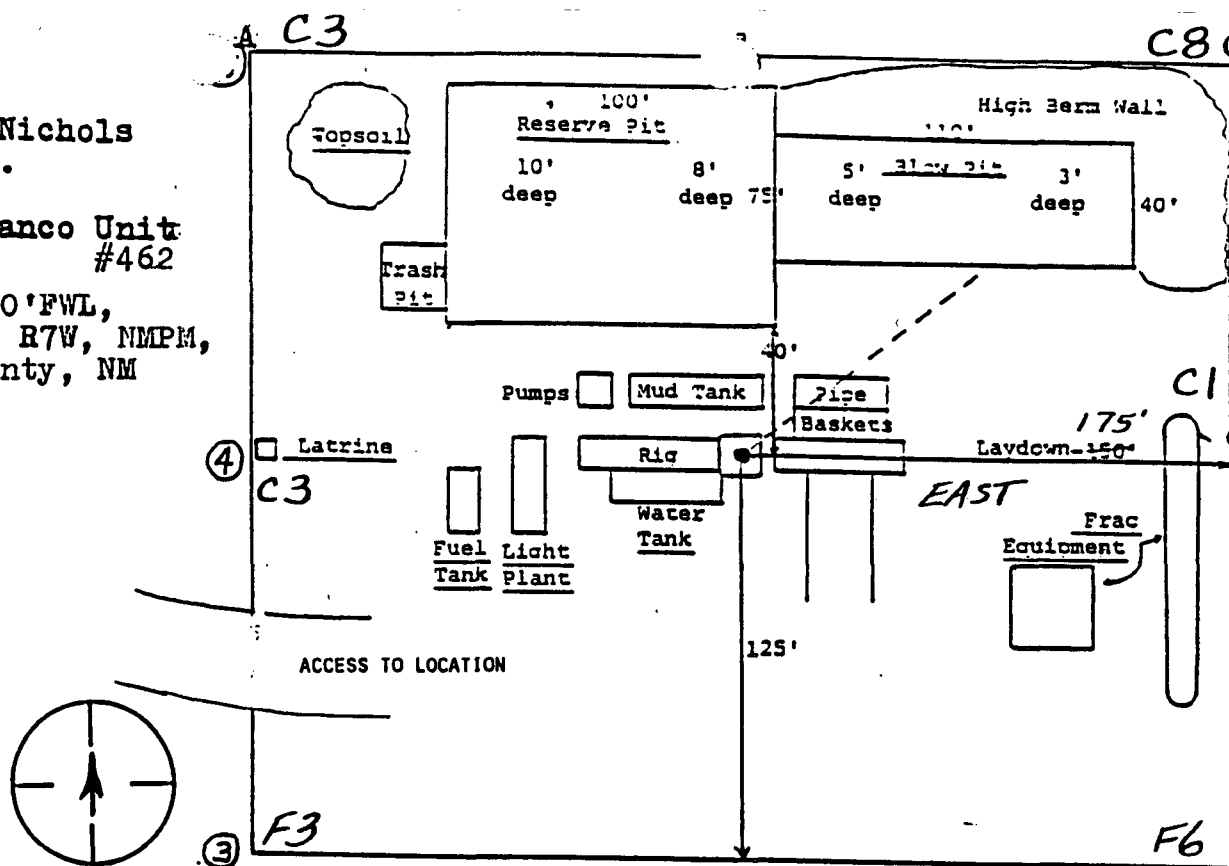
SURVEYOR CERTIFICATION

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 and Seal of Professional Surveyor
Nedie V. Edwards
6857

Certificate No.
6857

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




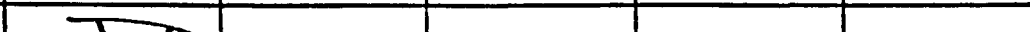
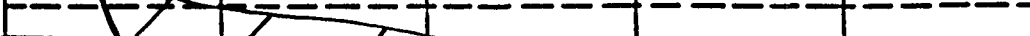
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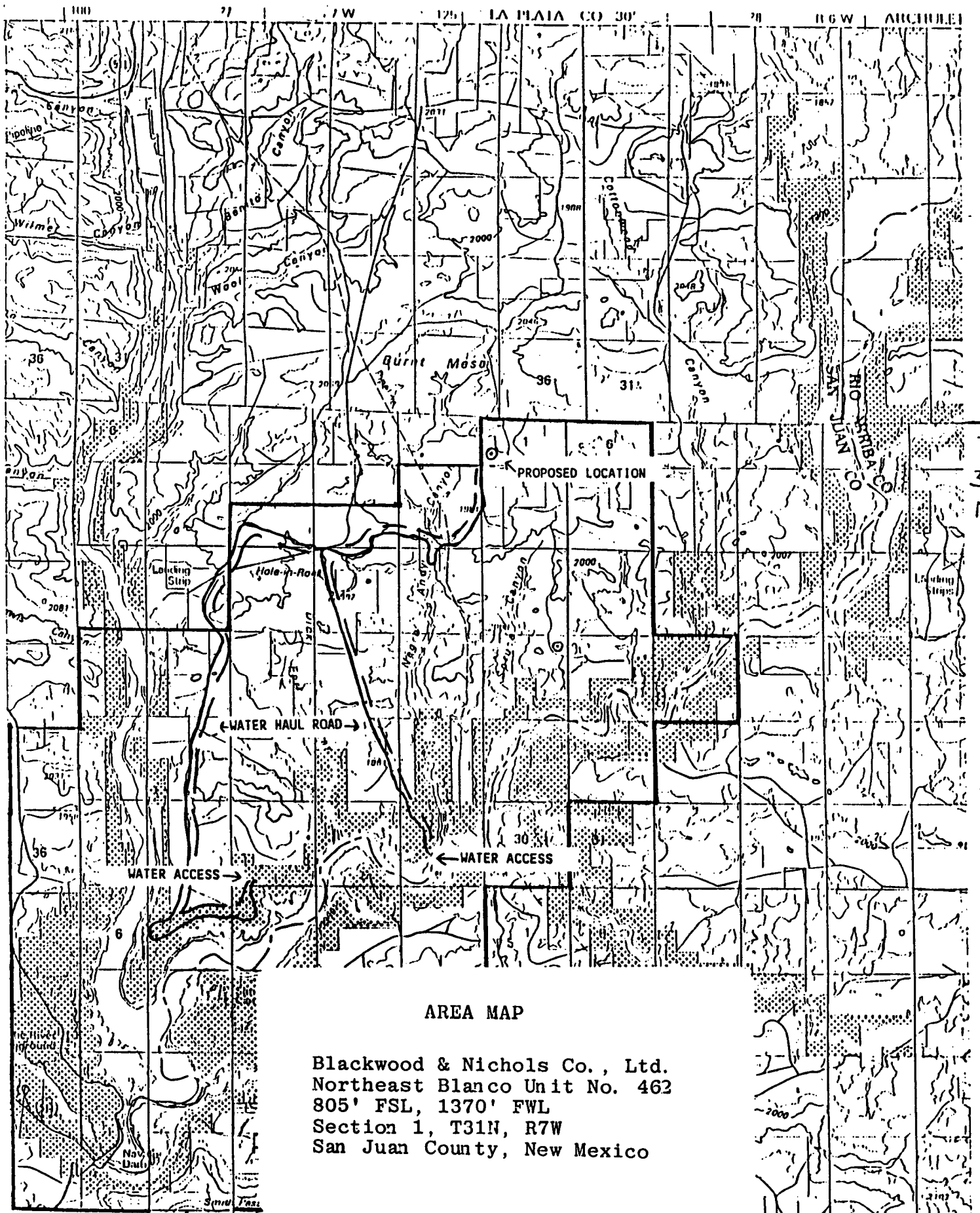
| | | | | | | |
|------|--|--|--|--|--|--|
| | | | | | | |
| 6067 |  | | | | | |
| 6057 |  | | | | | |
| 6047 |  | | | | | |
| | | | | | | |

C/L

| | | | | | | |
|------|--|--|--|--|--|--|
| | | | | | | |
| 6067 | | | | | | |
| 6057 | | | | | | |
| 6047 | | | | | | |
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C/L

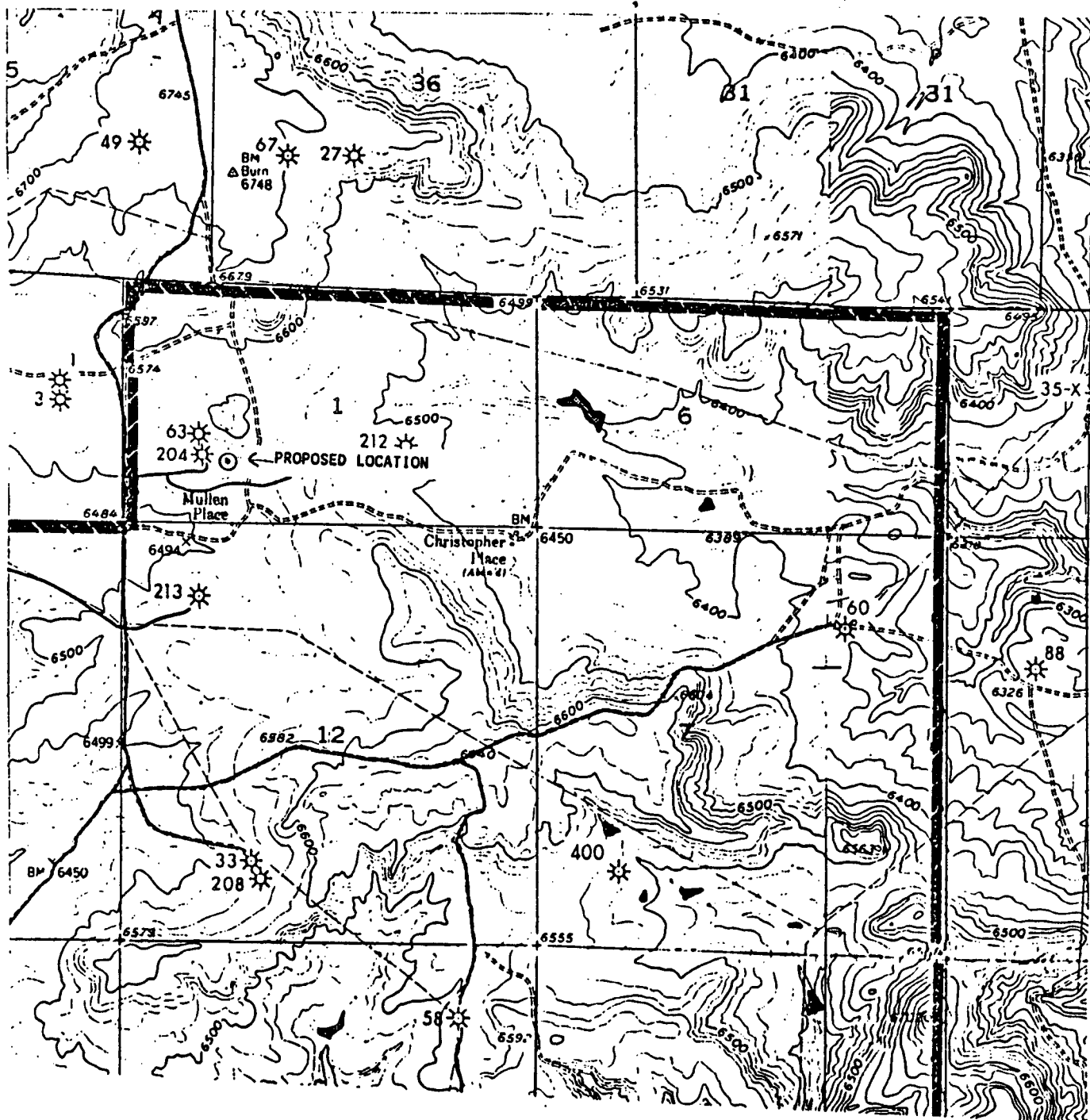
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| | | | | | | |
| 6067 |  | | | | | |
| 6057 |  | | | | | |
| 6047 |  | | | | | |
| | | | | | | |



AREA MAP

Blackwood & Nichols Co., Ltd.
 Northeast Blanco Unit No. 462
 805' FSL, 1370' FWL
 Section 1, T31N, R7W
 San Juan County, New Mexico

R6W



T
31
N

VICINITY MAP

Blackwood & Nichols Co., Ltd.
 Northeast Blanco Unit No. 462
 805' FSL, 1370' FWL
 Section 1, T31N, R7W
 San Juan County, New Mexico



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)

