STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

February 3, 1989

Blackwood & Nichols Co. P.O. Box 1237 Durango, CO 81302

Attention: William F. Clark,

Operations Manager

Cess 9615

RE: Administrative Application for

the Northeast Blanco Unit Well Nos. 449, 453, 457, Basin-Fruitland Coal (Gas) Pool, San Juan County, New Mexico.

Dear Mr. Clark:

The three wells in the subject filings are on non-standard gas spacing and proration units that cross section lines. Since there are no administrative procedures to approve such units pursuant to Order No. R-8768, these filings will be set for hearing before an Examiner scheduled for March 1, 1989. If you should have any questions or comments concerning this matter, please contact me.

Sincerely,

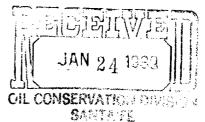
Michael E. Stogner Petroleum Engineer

cc: Oil Conservation Division - Aztec

BLACKWOOD & NICHOLS CO., LTD.

P.O. BOX 1237 DURANGO, COLORADO 81302-1237

(303) 247-0728



Case 9615

January 9,1989

Mr. William LeMay New Mexico Oil Conservation Division P.O.Box 2088 Santa Fe, New Mexico 87501

Re:Unorthodox Gas Well Location Northeast Blanco Unit No. 449 320'FSL - 1250'FWL, Sec.19, T31N, R7W San Juan Co., New Mexico

Dear Mr. LeMay;

Blackwood & Nichols Co., Ltd. requests administrative approval of an exception to the footage requirements of Rule 7, R-8768 for the subject well, located in the Basin Fruitland Coal Pool.

This request is for exception due to topography. A Vicinity Map and C-102 are attached for your reference. As evidenced by the Vicinity Map and the C-102, the west half of Section 19 is not standard size. This location was staked to take advantage of existing topography and stay out of existing archeological sites on the south and north edges.

The west half of Section 19, NE/NW of Section 30, and NW/NW of Section 30 will be dedicated to this well. Offset proration units to the east and south are operated by Blackwood and Nichols Co., Ltd. Offset proration units to the north and west are operated by Northwest Pipeline Corp. Northwest has been furnished a copy of this application by certified mail.

Your prompt consideration of this request is appreciated.

Sincerely,

William F. Clark Operations Manager Blackwood & Nichols

Co., Ltd.

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO ... ENERGY AND MINERALS DEPARTMENT

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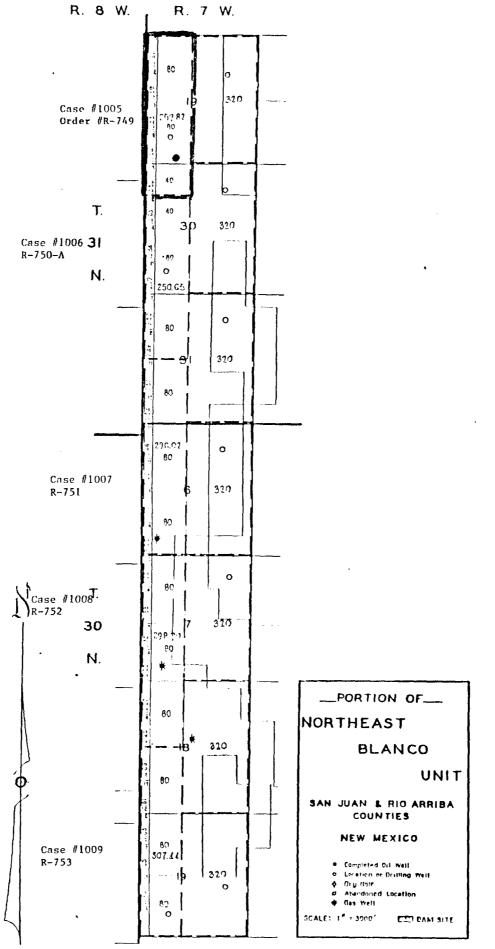
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SANTA FE, NEW MEXICO 87501

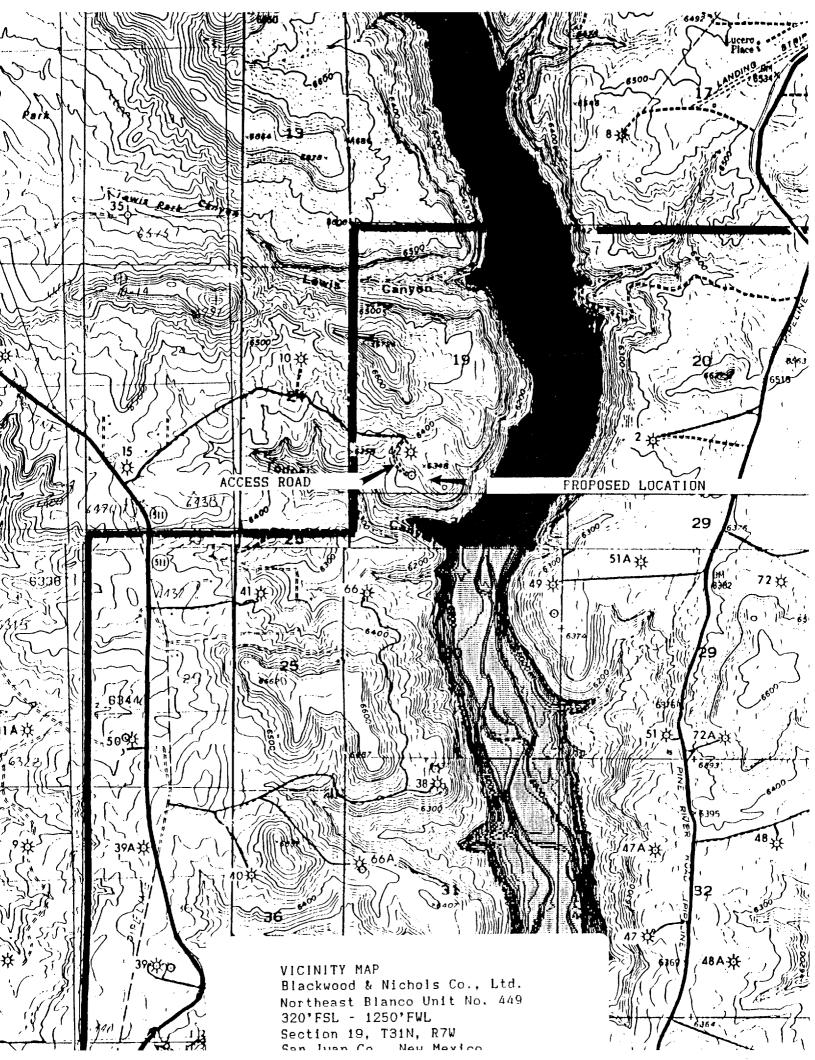
Form C-102 Revised 10-1-78

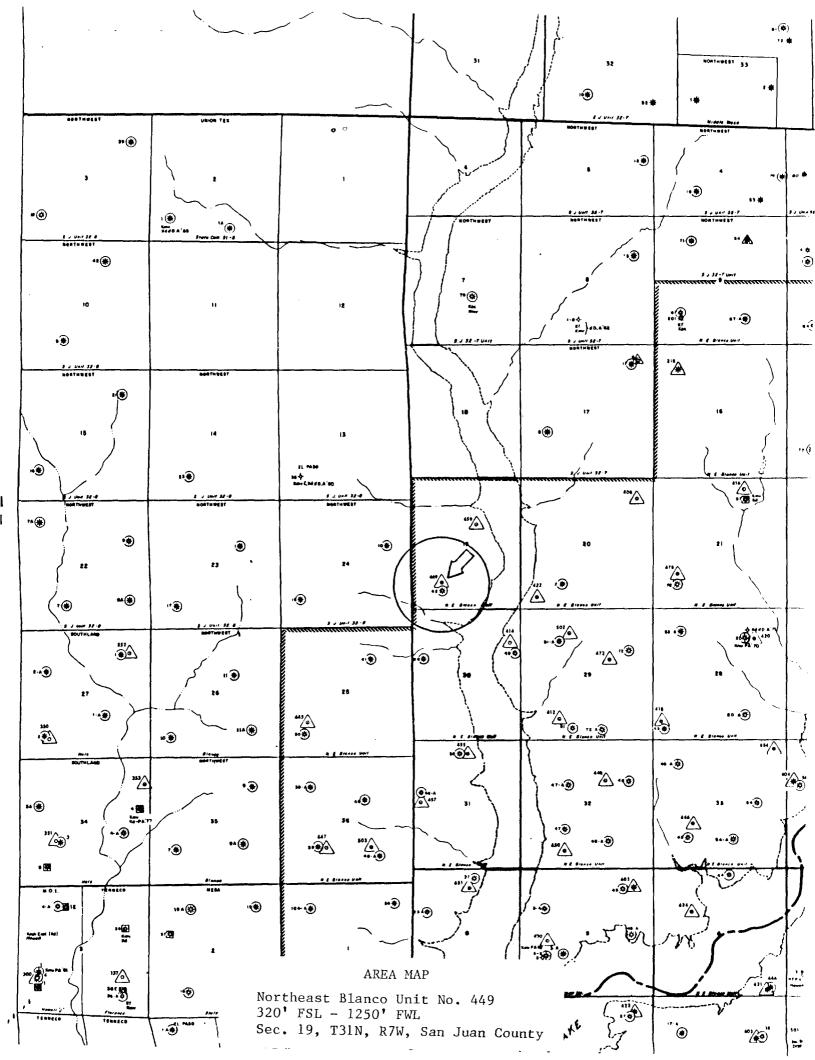
All distances must be from the outer boundaries of the Section Well No. Blackwood & Nichols Co., LTD. Northeast Blanco Unit 449 Unit Letter Township Range Section County 19 31 North 7 West San Juan Actual Footage Location of Wells 320' feet from the South 1250 East line and feet from the line Ground Level Elev. Producing Formation Dedicated Acreage: 63141 Fruitland Coal Basin Fruitland Coal 259.82 Acres 1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. See attached plat for acreage dedication
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). Dedicated Acreage includes NE/NW and NW/NW of Section 30, T31N, R7W Lease # SF079082, Unit Tract # 16A

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? 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 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 Division. CERTIFICATION I hereby certify that the Information contained herein is true and complete to the best of my knowledge and belief. Position Operations Manager ract16A Blackwood & Nichols Co., Ltd January 18 SF080557 C. EDIV Tract 18 SF079082 Blanco Mesa. 100 and/or Land Surveyor 1250 Heale C. Edwards Certificate No.



Dedicated Acreage





BLACKWOOD & NICHOLS CO., LTD.

P.O. BOX 1237 DURANGO, COLORADO 81302-1237

(303) 247-0728 January 9,1989

NORTHWEST PIPELINE CORPORATION

JAN 2 0 1989

PRODUCTION AND DRILLING

Northwest Pipeline Corp. 3539 E. 30th Farmington, New Mexico 87401 Attn: Mr. Paul Thompson

Re:Unorthodox Gas Well Location Northeast Blanco Unit No. 449 320'FSL - 1250'FWL, Sec.19, T31N, R7W San Juan Co., New Mexico

Gentlemen:

Blackwood & Nichols Co., Ltd. requests that you waive objection to the subject unorthodox location. This well offsets your properties to the east and south. The location is non standard to the interior of the Northeast Blanco Unit and therefore does not encroach on any of your property boundaries.

Your prompt consideration of this request is appreciated.

Sincerely,

William F. Clark Operations Manager Blackwood & Nichols

Co., Ltd.

Waiver of Objection

Northwest Pipeline Corp. hereby waives objection to the proposed unorthodox location of the Northeast Blanco Unit No. 449.

By: faul (Thompson

Date: 1/24/89

