(November 1 (Formerly 9	DEPARTMENT	OF THE INTERIOR **** LAND MANAGEMENT	MIT IN TRIPLICATE® e side)	Expires August 31, 1985 5. LEASE DESIGNATION AND SERIAL NO SF 079060
(Do r	SUNDRY NOTICES	AND REPORTS ON WE Itill or to deepen or plug back to a deepen or pure b		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
OIL GAS WELL X OTHER 2. NAME OF OPERATOR			7. UNIT AGREEMENT NAME NEBU Agreement No. I, Sec. 929	
3. ADDRESS		., Ltd. o, Colorado 81302-1237	en e scuest inte Etg. Ren hexido	Northeast Blanco Unit WELL NO. 407
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface				10. FIELD AND POOL, OR WILDCAT Undes. Fruitland Coal
930' F/NL, 900' F/EL			en en en en en en en	11. SEC., T., B., M., OR BLE. AND SURVEY OR AREA
14. PERMIT NO API 3	0. 15. Fi	6222' G.L., 6234		Sec. 21, T30N, R7W 12 COUNTY OR PARISH 13. STATE Rio Arriba New Mexico
16.	Check Approprie	ate Box To Indicate Nature of	DIST. 3 Notice, Report, or (Other Data
	NOTICE OF INTENTION TO	:	SUBSEQ	UENT REPORT OF:
TEST WA	- 		TER SHUT-OFF	REPAIRING WELL,
BHOOT O		[]	Completion	ABANDONMENT*
REPAIR W (Other)	TELL (HANGE	PLANE (O)	her) Completion (Note: Report results	XX XX xx xx xx xx xx xx
17. DESCRIBE	PROPOSED OR COMPLETED OPERATIONS d work. If well is directionally dr this work.)	(Clearly state all perfinent details, s illed, give subsurface locations and n	Completion or Recomp	letion Report and Log form.) Including estimated date of starting any all depths for all markers and zones perti-
_	casing head to 9 5/8 to 500 PSI. Nipple Ran in hole with 6 1, cement at 2866'. Proceeding to the comment to top of insection and CCL; 3 1/2" drill collars at 2919'. Drilled to the correction at 6 a.m. of the correction; drilling quick - washed through 3013' - 3030' (17') coal, 1/2 mpf; 3035' mpf; 3055' - 3058', 3069', shale, 2-4 mpm shale, 2-3 mpf; 31002 mpf; Final T.D (151') in 8 hours. If the foregoing is true and continued on restify that the foregoing is true and continued on the continu	W.L.T.D. 2924'. Ran i and 87 jts. 2 7/8" dri hrough insert float and 8/31/88. Sing shoe at 2964' with grecord, circulating wgh; 2971' - 3013', drildrilled coal, 3/4 mpf; - 3044', shale, 2-3 mpshale, 2-3 mpf; 3058' - 6; 3069' - 3080' (11'), 3' - 3112' (9'), coal, 3115' K.B. Drilled ope Well making water, coal 3115' using water, air, next page)	t between weld d hydrill. 2 7/8" drill pi 500 PSI, held o n hole with 6 I ll pipe. Tagge shoe jts. Sta water (2962' pater at 3 BPM: led shale 3-4 m 3030' - 3035' (f; 3044' - 3055' 3062' (4'), co coal, 1/2 mpf; 1/2 mpf; 3111' n hole section , and shale. (and foam.	and rubber "O" ring pe. Tag pk. Drill out 1/4" bit, eight ed float collar arted drilling pipe plus 2' K.B. 2964' - 2971', very minutes per foot (mpf); 5'), drilled fast - 6' (11'), coal, 3/4 pal, 1/2 mpf; 3062' - 1 3080' - 3103', 1 3115', shale, from 2964' - 3115' Cleaned out coal
SIGNED	William F. Clark	TITLE Operation	s Manager	October 5, 1988
(This space	e for Federal or State office use)			ACCEPTED FOR RECORD
APPROVED BYCONDITIONS OF APPROVAL, IF ANY:		NMOCC		OCT 1 4 1988
		*See Instructions on Reve	rse Side	FARMINGTON RESOURCE AREA

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department of agency of the

- 9-02-88 Cleaned out open hole from 2964' 3114'. TOH with 6 1/4" bit for logs. Ran GR-Density log, W.L.T.D. 3075' due to fill; 7' casing shoe at: 2967' by lot; 2965' by casing tally; and 2964' by drill pipe tally.
- 9-03-88 Ran in hole with 6 1/4" bit, 3 1/2" drill collars (240') and 92 jts. of 2 7/8" drill pipe. Wash through bridge @3069', clean out 2' of fill on bottom.
- 9-05-88 Trip out of hole with 6 1/4" bit. Trip in hole with 2 Amerada pressure bombs and 7" Baker Model R-3 packer and 2 7/8" drill pipe. Set packer at 2931'. Rigged up 2 7/8" TIW valve and swivel at surface; set packer, open downhole and surface valves and flowed well to separators. Started at 21:00 hours on 9-4-88.
- 9-06-88 Shut down hole valve at 16:00 hours (9-5-88). Start 24 hour build-up test. Flow test summary: Gas: Initial 3,000 MCFD with 600 PSIG; Final 1,630 MCFD with 280 PSIG back pressure. Water: Initial 300 BWD; final 213 BWD; Average 244 BWD.
- 9-07-88 Flow tested well through test separators.
- 9-08-88 Unseated 7" packer at 2931'. Tripped out of hole with 2 pressure bombs and down-hole test assembly and 94 jts. 2 7/8" drill pipe. Tripped in hole with 6 1/4" bit and 2 7/8" drill pipe. Found bridge at 3060'. Cleaned out to 3115'.
- 9-09-88 Rigged up Cudd pressure control to be able to strip 5 1/2" liner in hole tomorrow. Trip out of hole with 2 7/8" drill pipe and 6 1/4" bit. Used Cudd's BOP stack to trip out of the hole with approximately 20 PSIG back pressure. Ran 8 jts. of 5 1/2", 23.0#, P-110, LT&C casing with Brown 7 x 5 1/2" liner hanger. Note: 5 1/2" casing that is predrilled with 1" holes and plugged. Tagged open hole TD at 3115' by liner tally (no WLTD, TD 3114' by drill pipe tally). Set Brown liner hanger top at 2870'. Bottom of 5 1/2" at 3113'. Predrilled/perforated liner sections at 2960' 2980' (20'), 3001' 3080' (79') and 3090' 3111' (21') across all the coal zones.
- 9-11-88 5 1/2" liner at 2870' to 3113'. Rigged down Cudd BOP and control equipment. Tripped in hole with 4 1/2" mill and 2 7/8" drill pipe. Started milling on plugs and then within 4 minutes the well unloaded strong.
- 9-12-88 Drilled next 40' of plugs. Well making strong gas flow, no gauge.
- 9-13-88 Milling perf plugs. Circulate hole clean with a 20 bbl. water flush. Let well blow for one hour. Natural gauge 2,900 MCFD. Trip out of hole with 4 1/2" mill. Ran 97 joints 2 7/8", 6.4#, J-55, EUE, tubing (2989.52') set open ended at 3000' with Baker Model 'F' seating nipple at 2937'. Nipple up wellhead. Final gauge 2,900 MCFD. Rig released 1:00 p.m. (9-13-88).
- 9-17-88 Recovered blanking plug from F nipple at 2937'.

OIL CONSERVATION DIVISION

P. O. BOX 2088

ENERGY AND MINERALS DEPARTMENT

SANTA FE, NEW MEXICO 87501

(E)

Form C-102 Revised 10-1-78

All distances must be from the outer boundaries of the Section. Well No. Lease 407 NORTHEAST BLANCO UNIT BLACKWOOD & NICHOLS CO., LTD. County Township Juli Letter Section Rio Arriba 7W NMPM 30 North 21. Actual Footage Location of Wells east 900 Ical from the line line and feet from the Dedicated Acreage: **Producing Formation** Bround Level Elev. 320 Basin-Fruitland Coal gas Fruitland Coal Acres 6222 (U.G.) 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? If answer is "yes;" type of consolidation __Unitization X Yes 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 Division. CERTIFICATION 930 I hereby certify that the Information contained herein is true and complete to the DECEIVI DEQ2 2 1988 best of my knowledge and bellet. 900' Nome William F. Clark OIL CON. DIV Position Operations Manager Blackwood & Nichols Co. November 9, 1988 SF 079060 Tract 13 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 March 14, 1988 Registered Professional Engineer and/or Land Surveyor Allison L. Kroeger, PLS