

BLACKWOOD & NICHOLS CO., LTD.

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February 13, 1990

*Well
file*

New Mexico Oil Conservation Division
P. O. Box 2088
State Land Office Building
Santa Fe, New Mexico 87504

Attention: Mr. Michael E. Stogner
Chief Hearing Officer/Engineer

Re: Northeast Blanco Unit No. 421
215' FSL, 740' FEL, ~~Section 2, Township 1N, Range 1E, Rio Arriba County, New Mexico~~
Rio Arriba County, New Mexico

Gentlemen:

In answer to your letter dated February 7, 1990, the NEBU Well No. 421R will be a replacement well for the referenced well.

The NEBU No. 421 was drilled through the Fruitland coal with weighted mud and 5-1/2" casing was run and cemented in place. The casing was perforated in the coal zones and the well was fracture stimulated with sand and 30# X-link borate gel. After the frac the well had a natural flow of 805 MCFD.

The NEBU No. 421 is in an area where open hole completed wells have gauged between 2600 MCFD and 18,800 MCFD. The proposed replacement well, the NEBU No. 421R, will be completed open hole with an anticipated minimum gauge of 3200 MCFD.

The present status of the NEBU No. 421 is waiting on tie-in. When the NEBU No. 421R is drilled, the NEBU No. 421 will either be converted to a pressure observation well or plugged and abandoned, depending upon partner approval.

Sincerely,



William F. Clark
Operations Manager

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