

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-039-24594

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

| | | |
|---|-------------------------------------|--|
| 1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> | | 5. LEASE DESIGNATION AND SERIAL NO. SF079001 |
| b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME |
| 2. NAME OF OPERATOR Blackwood & Nichols Co., LTD. | | 7. UNIT AGREEMENT NAME Northeast Blanco |
| 3. ADDRESS OF OPERATOR P.O. Box 1237, Durango, CO 81302-1237 | | 8. FARM OR LEASE NAME Northeast Blanco Unit |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 1240'FNL - 1175'FEL At proposed prod. zone | | 9. WELL NO. 485 |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 18 miles NE of Blanco, New Mexico | | 10. FIELD AND POOL, OR WILDCAT Basin Fruitland Coal |
| 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 1175' | 16. NO. OF ACRES IN LEASE 638.75 | 17. NO. OF ACRES ASSIGNED TO THIS WELL 318.75 |
| 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 400' | 19. PROPOSED DEPTH 3164' | 20. ROTARY OR CABLE TOOLS Rotary |
| 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6263' GL | | 22. APPROX. DATE WORK WILL START* May 1, 1989 |

| 23. SUBJECT TO COMPLIANCE WITH ATTACHED PROPOSED CASING AND CEMENTING PROGRAM "GENERAL REQUIREMENTS" | | | | |
|---|----------------|-----------------|---------------|---|
| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | and approx. quantity of cement to be used |
| 12 1/4" | 9 5/8" | 36# | 300' | 207 cuft to circulate |
| 8 3/4" | 7" | 23# | 2919' | 744 cuft to circulate |
| 6 1/4" | 5 1/2" | 17# | 2819' - 3164' | 39 cuft to circulate |

Propose to spud in the San Jose formation. Will drill a 12 1/4" hole to a TD of 300'. Surface casing will be run and cemented with cement returns to surface. WOC 12 hours. Pressure test to 600 psi/30 mins. Drill an 8 3/4" hole to a TD of 2919' with fresh water mud. No abnormal pressures or poisonous gases are anticipated. Run and cement intermediate casing with cement returns to surface. WOC 12 hours. Test to 1500 psi/30 mins. Drill a 6 1/4" hole through the Fruitland coals using water and air. A 5 1/2" liner will be run. The liner may or may not be cemented, depending on the wells natural producing ability.

Surface ownership is Bureau of Reclamation.

RECEIVED

MAY 22 1989

OIL CON. DIV

DIST. 3

24. ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on old productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

SIGNED William F. Black TITLE Operations Manager DATE May 1, 1989

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

NMOCC

*See Instructions On Reverse Side

John Skellern

Submit 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

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

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

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

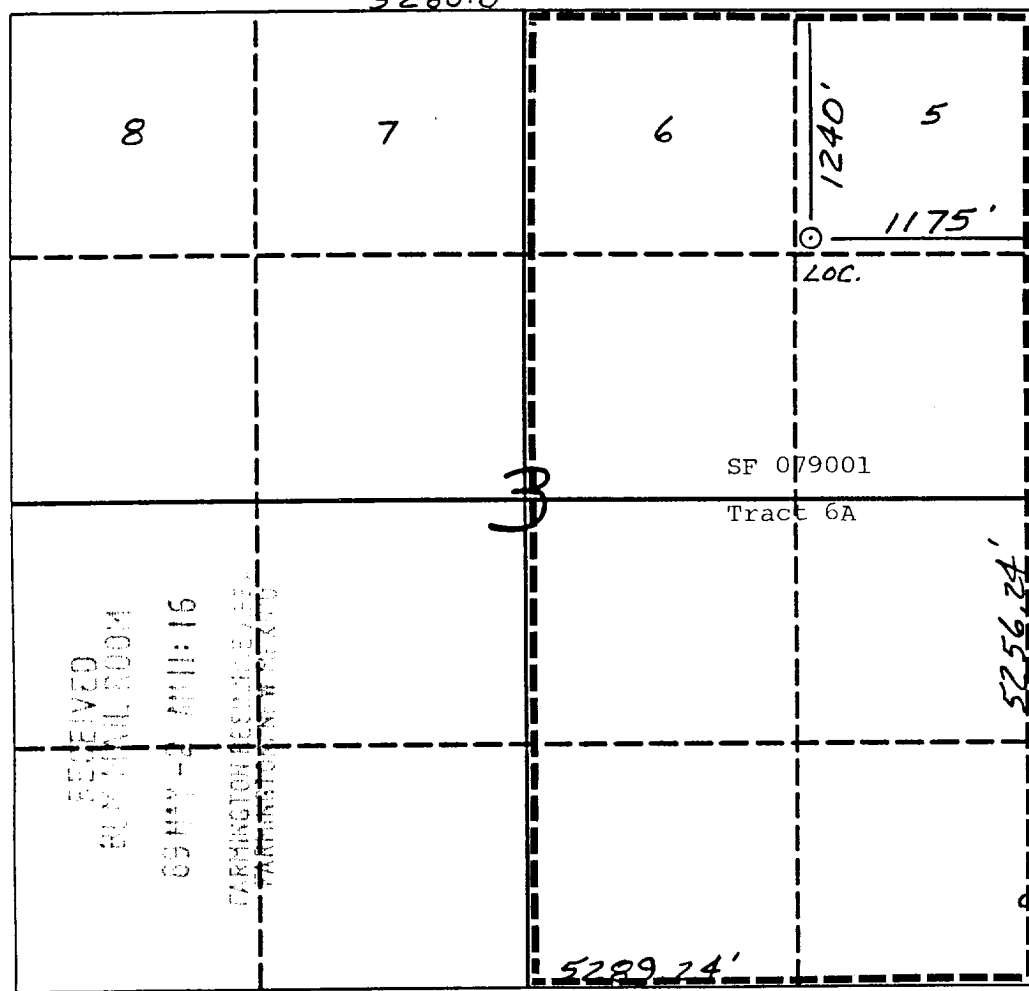
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

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. 485 |
| Unit Letter A | Section 3 | Township 30 North | Range 7 West | County NMPM Rio Arriba | |
| Actual Footage Location of Well: 1240 feet from the North line and 1175 feet from the East line | | | | | |
| Ground level Elev. 6263' | Producing Formation Fruitland Coal | | Pool Basin Fruitland Coal | | Dedicated Acreage: 318.75 Acres |

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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 N/A
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 Co.**
Date **May 1, 1989**

SURVEYOR CERTIFICATION

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 **May 1, 1989**
Signature of Professional Surveyor *Neale G Edwards*
Professional Surveyor

Certificate No. **6857**

