

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

OIL CONSERVATION DIVISION

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

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

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

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

API NO. (assigned by OCD on New Wells)

30-039-24698

5. Indicate Type of Lease

STATE ☐

FEE ☒

6. State Oil & Gas Lease No.

NA

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

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

7. Lease Name or Unit Agreement Name

Northeast Blanco Unit

2117

2. Name of Operator

Blackwood & Nichols Co., Ltd. 2505

8. Well No.

425R

3. Address of Operator

P.O. Box 1237, Durango, Colorado, 81302

9. Pool name or Wildcat

Basin Fruitland Coal 71629

4. Well Location

Unit Letter N : 1265 Feet From The South Line and 1855 Feet From The West Line

Section 8 Township 30N Range 7W NMPM Rio Arriba County

10. Proposed Depth

3045'

11. Formation

Fruitland Coal

12. Rotary or C.T.

Rotary

13. Elevations (Show whether DF, RT, GR, etc.)

6130' GL

14. Kind & Status Plug. Bond

Statewide

15. Drilling Contractor

NA

16. Approx. Date Work will start

April 15, 1990

17.

PROPOSED CASING AND CEMENT PROGRAM

w/320

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(295 cuft)	circ. to surf.
8 3/4"	7"	23#	2815'	555(940 cuft)	circ. to surf.
6 1/4"	5 1/2"	17#	2715'- 3045'	30(39 cuft)	circ. to liner

Propose to spud in the San Jose formation. Will drill a 12 1/4" hole to a TD of 300'. Run and cement surface casing with cement returns to surface. WOC 12 hours. Test to 600 psi/30 mins. Drill an 8 3/4" hole to a TD of 2815' using 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 to a TD of 3045' using water and air. A mud logging unit will be used while drilling this interval. Run the production liner. The liner will be cemented if the fracture stimulation is necessary.

APPROVAL EXPIRES 10-09-90
UNLESS DRILLING IS COMMENCED.
SPUD NOTICE MUST BE SUBMITTED
WITHIN 10 DAYS.

Surface is Bureau of Reclamation

RECEIVED

APR 09 1990

OIL CON. DIV.
DIST. 3

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON EXISTING 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

5 April 90

TYPE OR PRINT NAME

TELEPHONE NO.

(This space for State Use)

APPROVED BY

Ernest R. Buech

TITLE

DEPUTY OIL & GAS INSPECTOR, DIST. #3

DATE

APR 09 1990

CONDITIONS OF APPROVAL, IF ANY:

Hold C-104 FOR H&A of 425

RECEIVED
JAN 10 1968
VIA MOD JO
JAN 10

RECEIVED
JAN 10 1968
VIA MOD JO
JAN 10

OIL CONSERVATION DIVISION

P.O. Box 2088

Sanita Fe, New Mexico 87504-2088

DISTRICT

P.O. Box 1980, Hobbs, NM 88240

DISTRICT I

P.O. Drawer DD, Alamogordo, NM 88210

DISTRICT II

1000 Rio Arizos 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. 425 R
Unit Letter N	Section 8	Township 30 North	Range 7 West	County Rio Arriba
Actual Footage Location of Well: 1265 feet from the South line and 1855 feet from the West line				
Ground level Elev. 6130'	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal	Dedicated Acreage: 320 250.12 Acres
1. Outline the acreage dedicated to the subject well by contract dated 10/1/50.				

1. Outline the acreage dedicated to the subject well by concrete pencil or machine 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.

☒ Yes ☐ No If answer is "yes" type of consolidation Unitization
If answer is "no" list the owners and track descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowance will be assigned to the web until all interests have been consolidated (by commensuration, utilization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.

5278.68

SF 079042
Tract 9

RECEIVED
APR 08 1880
OIL CON. DIV.,
DIST. 3

5280.0'

8

Fee
Tract 59

1855'

Fee
Tract 265'

5289.24

0 100 200 300 400 500

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature _____

Prinzess Naxos

William F. Clark

Position

Operations Manager

Company

Blackwood & Nichols Co., Ltd

Date _____

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 3-20-98-5017

Date Surveyed _____

Neale W. Edwards

Signature of Service
Professional Supervisor

California No.

6857

RECEIVED

1964-07-10

NAVY MOD NO
OFF COM DIA

DET 3

Blackwood & Nichols Co., Ltd.
Northeast Blanco Unit No. 425R
1265' FSL - 1855' FWL
Section 8, T30N, R7W
Rio Arriba Co., New Mexico

Field: Basin Fruitland Coal

Elevation: 6130'GL

Geology:

Formation Tops: San Jose - Surface
Ojo Alamo - 2025'
Kirtland - 2100'
Fruitland - 2670'
Intermediate TD - 2815'
Pictured Cliffs - 3045'
Total Depth - 3045'

Logging Program: No logs will be run at Intermediate TD. A one man mud logging unit will be run from Intermediate TD to Total Depth.

Drilling:

Contractor:

Toolpusher:

Operator's Representative:

Mud Program: 0 - 300' :Spud mud of lime and gel.
300'- 2570':Polymer and water with 5 sack gel sweeps every 500' or less if hole conditions dictate.
2570'- 2815':Fresh water, low solids mud. Mud wt.-9.5 to 10.0 ppg, as necessary to control well. 35-40 sec./qt. viscosity. 6-8 cc water loss.

Start mud up 100' above Fruitland

2815'- 3045':Water and air.

Materials:

Casing Program:

Hole Size	Depth Set	Casing Size	Wt. & Grade
12 1/4"	300'	9 5/8"	36# , K-55
8 3/4"	2815'	7"	23# , K-55
6 1/4"	2715'-3045'	5 1/2"	17# , N-80

Materials: Cont'd

Float Equipment:

- 9 5/8" surface casing - Texas Pattern Guide Shoe. Threadlock guide shoe.
- 7" intermediate casing- Texas Pattern Guide Shoe. Self fill insert float valve run one joint above shoe.
Ten(10) bow spring centralizers. Five run every other joint above shoe and five run across the Ojo Alamo. Threadlock shoe and float valve.
- 5 1/2" liner - Geyser guide shoe. Threadlock shoe. Right hand rotating, left hand set liner hanger with lead seal ring packoff.

Wellhead Equipment:

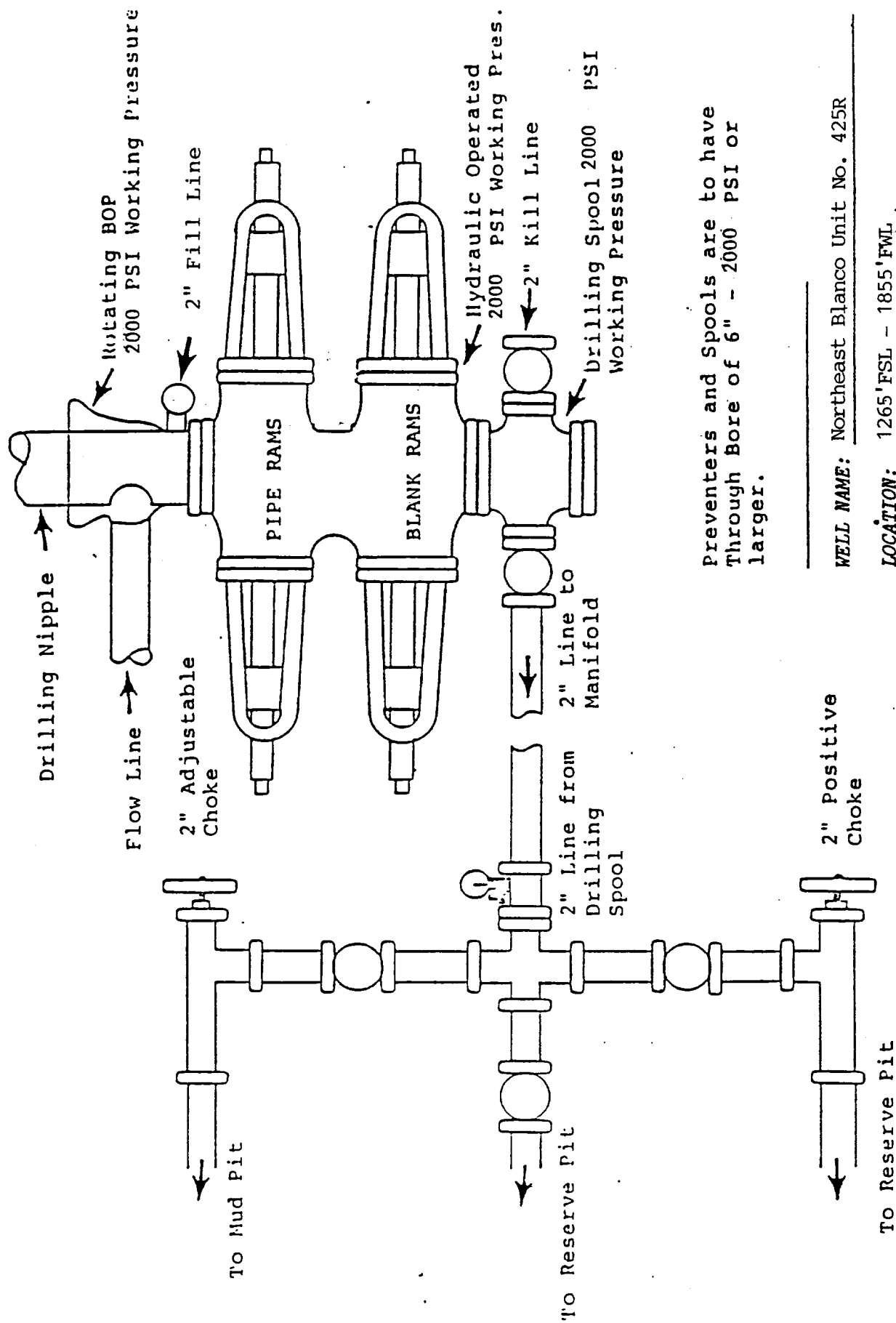
- 9 5/8" X 10" 3000 casing head with 7" automatic slips.
- 10" 3000 X 6" 3000 tubing head with a 2 7/8" EUE Tubing hanger.

Cement Program:

- 9 5/8" surface casing- 250 sacks(295 cuft) of Class B w/ 2% CaCl and 1/4# flocele per sack. 300 % excess to circulate to surface. WOC 12 hours. Pressure test to 600 psi for 30 minutes prior to drilling surface shoe.
- 7" intermediate casing-430 sacks(792 cuft) of 65/35 Class B Poz with 6% gel, 1/4# flocele per sack, and 0.6% fluid loss additive followed by 125 sacks(148 cuft) Class B with 1/4# flocele per sack. 200% excess to circulate to surface. WOC for 12 hours. Run temperature survey after 8 hours if cement does not circulate. Pressure test to 1500 psi/ 30 minutes prior to drilling shoe.
- 5 1/2" liner -30 sacks(39 cuft) of Class B with 0.2% retarder, 1% CaCl, 1.3% fluid loss additive, and 6 1/4# gilsonite per sack. 100% excess to circulate to liner top. Note: cement is optional. Liner may not be cemented if hole conditions dictate.

Miscellaneous:

- Operate pipe rams dailly and record in tour reports.
- Operate Blind rams on each trip and record in tour reports.
- 7" casing rams are to be installed prior to running the production casing.
- 5 1/2" casing rams are to be installed prior to running the production liner.



Preventers and Spools are to have Through Bore of 6" - 2000 PSI or larger.

WELL NAME: Northeast Blanco Unit No. 425R

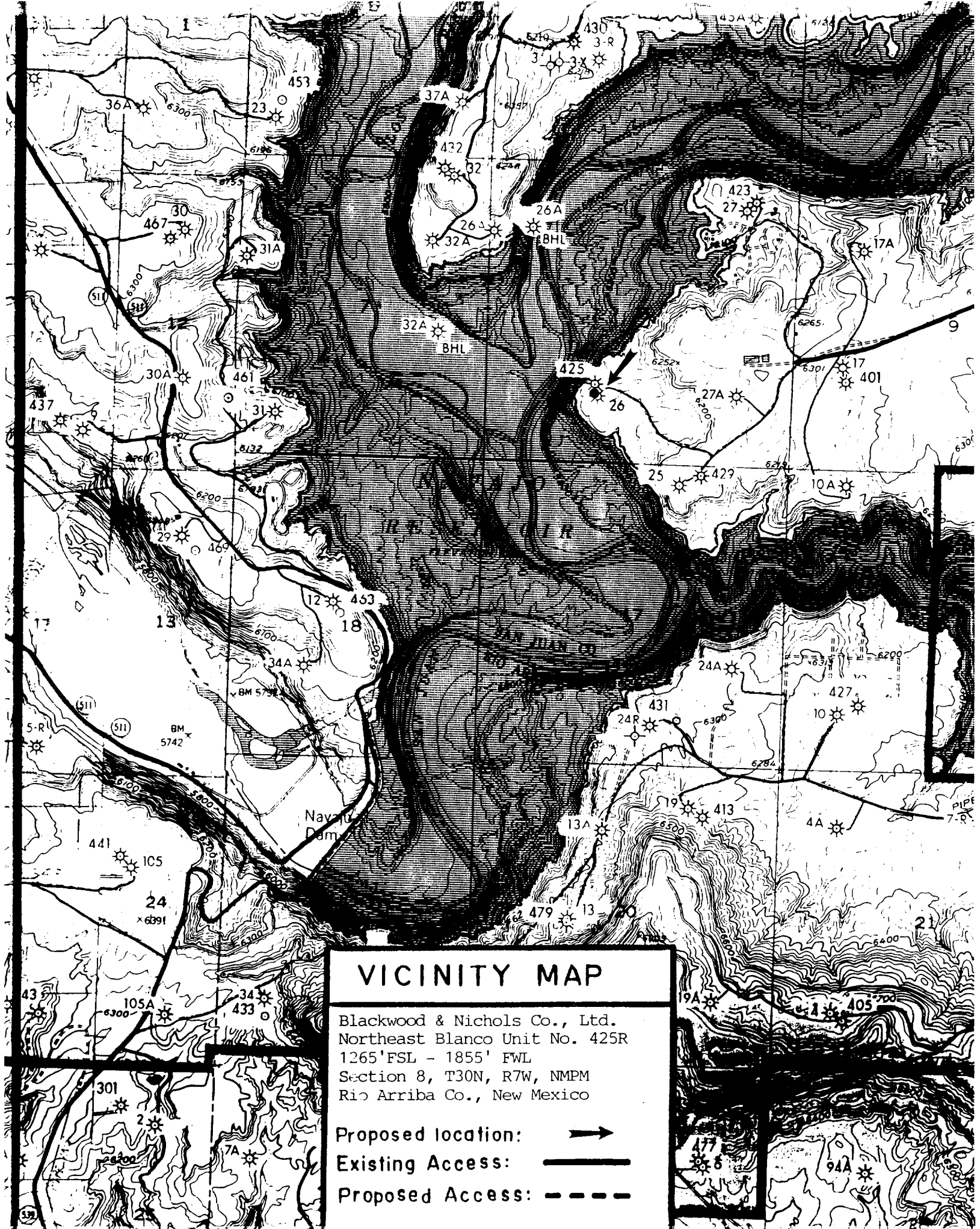
LOCATION: 1265'FSL - 1855'FWL

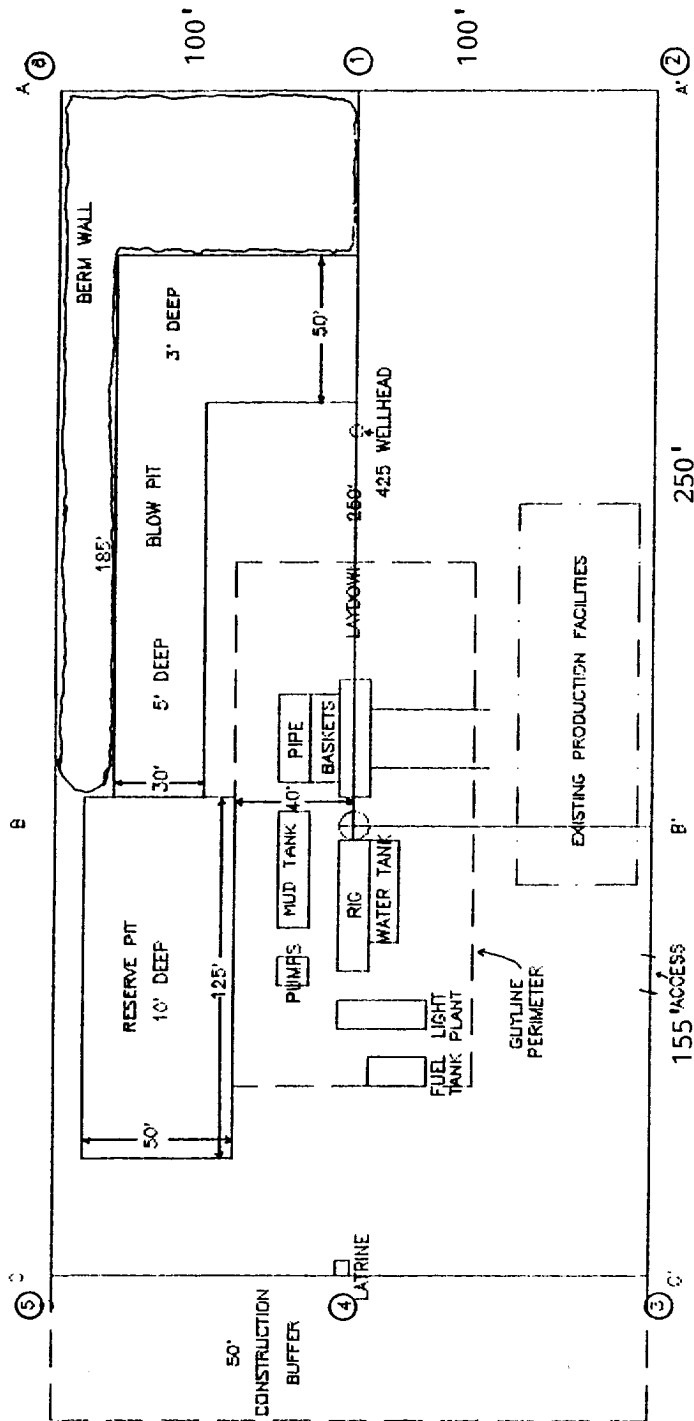
Section 8, T30N, R8W, NMPM

COUNTY: Rio Arriba Co., New Mexico

STATE:

NOTE: Upper kelly cock valve with handle will be used.
Safety valves for all drill strings used will be on the rig floor.





Blackwood & Nichols Co., Ltd.
 Northeast Blanco Unit No. 425R
 Wellsite Layout