SUBMIT IN TRIPLICATE*

Form approved.

| UNITED ST | uctions on side) | Dudget Durea | u No. 42-R1425. | | |
|---|-------------------------------------|-------------------------------------|---|-----------------|--|
| DEPARTMENT OF T | <u>- 20-045-26457</u> | | | | |
| DEI AITTIMEIT OF I | | 5. LEASE DESIGNATION AND SERIAL NO. | | | |
| GEOLOGICAL SURVEY | | | SF079042 | | |
| APPLICATION FOR PERMIT TO DR | ILL, DEEPEN, OR PLUG | BACK | 6. IF INDIAN, ALLOTTE | E OR TRIBE NAME | |
| DRILL X DEE | PEN PLUG BA | YCK □ | 7. UNIT AGREEMENT P | - | |
| OIL GAS X OTHER | SINGLE X MULT | IPLE [| 8. FARM OR LEASE NA | | |
| 2. NAME OF OPERATOR | | | Northeast Bla | ınco Unit | |
| Blackwood & Nichols Co., Ltd. | | | 9. WELL NO. | | |
| 3. ADDRESS OF OPERATOR | | | 3R | | |
| P. O. Box 1237, Durango, CO 81301 | RECEIVE | ר ד | 10. FIELD AND POOL, | R WILDCAT | |
| 4. LOCATION OF WELL (Report location clearly and in accord At surface | ance with any State requirements.*) | | Blanco Mesave | erde | |
| 1785' F/sL, 1770' F/WL JUN 101985 | | | 11. SEC., T., B., M., OR BLK. | | |
| At proposed prod. zone BUREAU OF LAND MANAGEMENT FARMINGTON RESOURCE AREA | | | Sec. 5-30N-7W | | |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* | | | 12. COUNTY OR PARISH | 13. STATE | |
| | 16 Miles | | San Juan | New Mexico | |
| 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) | 16. NO. OF ACRES IN LEASE | TO TI | 17. NO. OF ACRES ASSIGNED TO THIS WELL 320 W 319,52 | | |
| 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. | 19. PROPOSED DEPTH 5740' | | 20. ROTARY OR CABLE TOOLS ROTARY | | |
| 21. ELEVATIONS (Show whether DF, REPRESE DPERATIONS | AUTHORIZED ARE | | 22. APPROX. DATE WO | RK WILL START* | |

6141' U.G. This action GENERAL REQUIREMENTS."
PROPOSED CASING AND CEMENTING PROGRAP/CCedural review pursuant to 43 CFR 3165.3 it select to technical and 23. and appeal pursuant to 43 CFR 3165.4. SIZE OF HOLE SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH 12 1/4" 9 5/8" 32.3 H-40 200' 236 cf Class B w/2% CaCl 8 3/4" 7" 3355' 23.0 K-55 700 cf 50/50 Pozmix w/4% gel and 6 1/4# gilsonite & 77 cf Class B Neat w/2% CaCl

6 1/4"

4 1/2"

10.5 K-55

SUBJECT TO COMPLIANCE WITH ATTACHED

5740'

400 cf 50/50 Pozmix with 6 1/4" Gilsonite

₩₽У 1, 1985

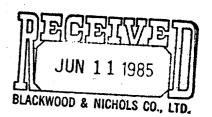
Blackwood and Nichols Company, Ltd. proposes to drill a replacement Mesaverde well. This gas is dedicated to El Paso Natural Gas Company. Attached you will find:

- 1. Onshore Drilling Program
- 2. Surface Use Program
- Well Location and Dedication Plat 3.
- Map of Area Wells 4.
- Map of Proposed Access Road

RECEIVED

JUN 13 1985

BUREAU OF LAND MANAGEMENT FARMINGTON RESOURCE AREA



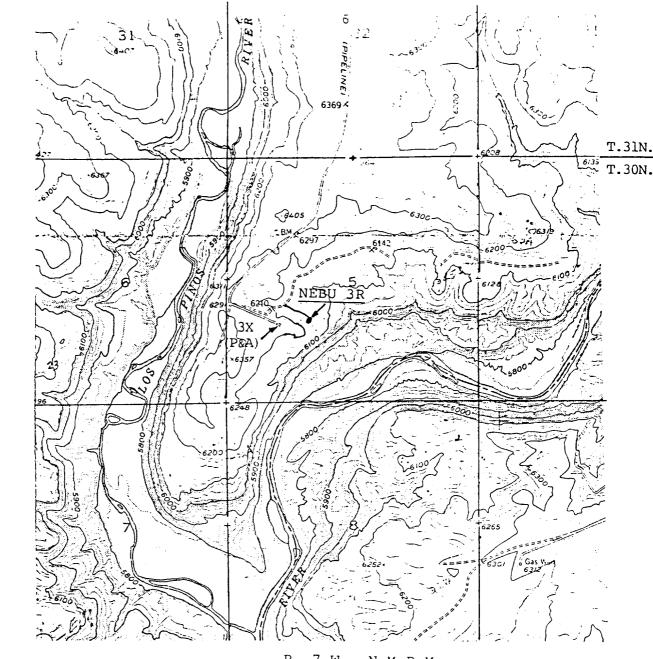
IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout

| preventer program, if any. | | Commence of the state of the st | | |
|--|--------------------------|--|--|--|
| 81GNED William F. Clark | Petroleum Engineer | APPROVED, 1985 | | |
| (This space for Federal or State office use) | | AC AMENDED | | |
| PERMIT NO. | APPROVAL DATE | AS AMENDED JUL ⁰ 5 1985 | | |
| - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 | CITLE | (SGD.) MAT MILLENBACH | | |
| CONDITIONS OF APPROVAL, IF ANY JUL 0 8 1985 | NMOCC | AREA MANAGER FARMINGTON RESOURCE AREA | | |
| Na 7157 3 *See Inst | ructions On Reverse Side | | | |

NEW MEXICO OIL CONSERVATION COMMISSION WELL LOCATION AND ACREAGE DEDICATION PLAT

All distances must be from the outer boundaries of the Section.

| Cperator | Les | 180 | | • | | | |
|--|--|------------------------------|----------------------------------|----------------------------------|--|--|--|
| BLACKWOOD & NICHOLS CO | BLACKWOOD & NICHOLS CO., LTD. NORTHEAST BLANCO UNIT 3R | | | | | | |
| Unit Letter Section Tow | mahip | Range County | | | | | |
| Actual Feetage Lecation of Wells | 30 N. | 7W., N.M.P.M. | SAN JUA | AN | | | |
| 3705 | outh , | 1770 (00. (1) | . | | | | |
| Ground Level Elev: Producing Formation | Poo | reet from the | west | line | | | |
| 6141 (U.G.) Measver | cde | Blanco Mesavero | ie | Dedicated Acreage: 319.52 | | | |
| 1. Outline the acreage dedicated | to the subject well h | ov colored pencil or bachur | e marka as th | Acres | | | |
| | | | | | | | |
| 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 differe dated by communitization, unitiz | ent ownership is dedi | cated to the well, have the | interests of | all owners been consoli- | | | |
| | | | | | | | |
| XX Yes No If answer | is "yes;" type of co | msolidationUnit | ized | | | | |
| | | | | | | | |
| If answer is "no," list the owne this form if necessary.) | and tract descripti | ons which have actually be | en consolida | ted. (Use reverse side of | | | |
| No allowable will be assigned to | the well until all inte | reats have been consider | - 1 () | | | | |
| 1 | til a non-standard un | it, eliminating such interes | ts. has been | nunitization, unitization, | | | |
| sion. | | 5 - 4 44.000 | -o, nas been e | approved by the Commis- | | | |
| | | | | CERTIFICATION | | | |
| ! | | | | CERTIFICATION | | | |
| | | | I hereby ce | ertify that the information con- | | | |
| | | | | in is true and complete to the | | | |
| | DE | CEIVED | | knowledge and selled. | | | |
| | | CEIVED | William | 170/28 | | | |
| | _ | <u>[UN 1 0 1985</u> | Name | 1 xxmx | | | |
| i i | BUREAU O | F LAND MANAGEMENT | | F. Clark | | | |
| r en e | FARMING: | TON PESOURCE AREA | Position | ım Davis | | | |
| | | | Company | um Engineer | | | |
| ! | | | | od & Nichols Co.I | | | |
| | RFC | CEIVED | Date | | | | |
| | | 1 | June | e 7, 1985 | | | |
| i i | ાં ા | IN 1 3 1985 | | | | | |
| i | BUREAU OF | LAND MANAGEMENT | I harahu - | ertify that the well-location | | | |
| | FARMINGIC | ON RESOURCE AREA | | Is plat was plotted from field | | | |
| 1770 · Loc. | | i | | tual surveys made by me or | | | |
| <u> </u> | | 19 80 | | pervision, and that the same | | | |
| 1080 | L | I VE DO | li i | correct to the best of my | | | |
| | - + | | knowleage a | na sellet. | | | |
| Boys, | A. Oct. | 13 1985 L | | | | | |
| 3t 282 | UIL WA | | Date Surveyed | | | | |
| 116 | OIL OIST | " VIV. | | 8, 1985 | | | |
| | | . 3 | Registeres Pro and/or Land Sy | lessional Engineer | | | |
| | | | 11/1 | and keeps | | | |
| | | | | on L. Kroeger | | | |
| | | | Certificate No. | | | | |
| 330 660 '90 1320 1680 1980 2310 | 2640 2000 1 | 1000 800 0 | 7922 | | | | |



R. 7 W., N.M.P.M.

NOTE:

Construct 650'± of new road from an existing road to NEBU 3R.

Figure II PROPOSED ACCESS ROAD TO NEBU 3R LOCATED IN SEC. 5, T. 30 N., R.7 W., N.M.P.M. SAN JUAN COUNTY, NEW MEXICO Date: April, 1985 Scale: 1"=2000' KROEGER ENGINEERING COMPANY DURANGO, COLO.