

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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. SF079511 (SF-079511)
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" 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, Colorado 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 1110' FSL - 1060' FWL At proposed prod. zone Same		9. WELL NO. 439
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 13 miles NE of Blanco, New Mexico		10. FIELD AND POOL, OR WILDCAT BASTA Fruitland Coal
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 260'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 13, T30N, R8W, NMPM
18. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 950'		12. COUNTY OR PARISH San Juan
19. PROPOSED DEPTH 3010'		13. STATE N. Mex.
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6095' GL		17. NO. OF ACRES ASSIGNED TO THIS WELL 300.03
20. ROTARY OR CABLE TOOLS Rotary		22. APPROX. DATE WORK WILL START* November 15, 1988
23. PROPOSED CASING AND CEMENTING PROGRAM		
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT
12 1/4"	9 5/8"	36 #
8 3/4"	7"	23 #
6 1/4"	5 1/2"	17 #
SETTING DEPTH		QUANTITY OF CEMENT
300'		207 cuft to circulate
2770'		781 cuft to circulate
2670 - 3010'		39 cuft to circulate

Propose to spud in San Jose formation. Will drill 12 1/4" surface hole to a TD of 300: Surface casing will be run and cemented with cement returns to surface. WOC 12 hours. Test to 600 psi. Drill 8 3/4" hole with fresh water mud to intermediate TD. No abnormal pressures or poisonous gases are anticipated. Casing will be run and cemented with cement returns to surface. WOC 12 hours. Test to 1500 psi. Drill 6 1/4" hole through Fruitland Coals with water. A liner may be run if hole conditions dictate. The liner may or may not be cemented, depending on the wells natural producing ability.

This APD requests a road ROW for the section of road outlined on the vicinity map that goes outside the unit boundary.

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.

24.

SIGNED

William F. Clark

TITLE Operations Manager

DATE

Oct 24, 1988

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

RECEIVED

APPROVED
AS AMENDED

APPROVED BY

TITLE

NOV 14 1988

DATE

NOV 09 1988

CONDITIONS OF APPROVAL, IF ANY:

AREA MANAGER

*See Instructions On Reverse Side

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

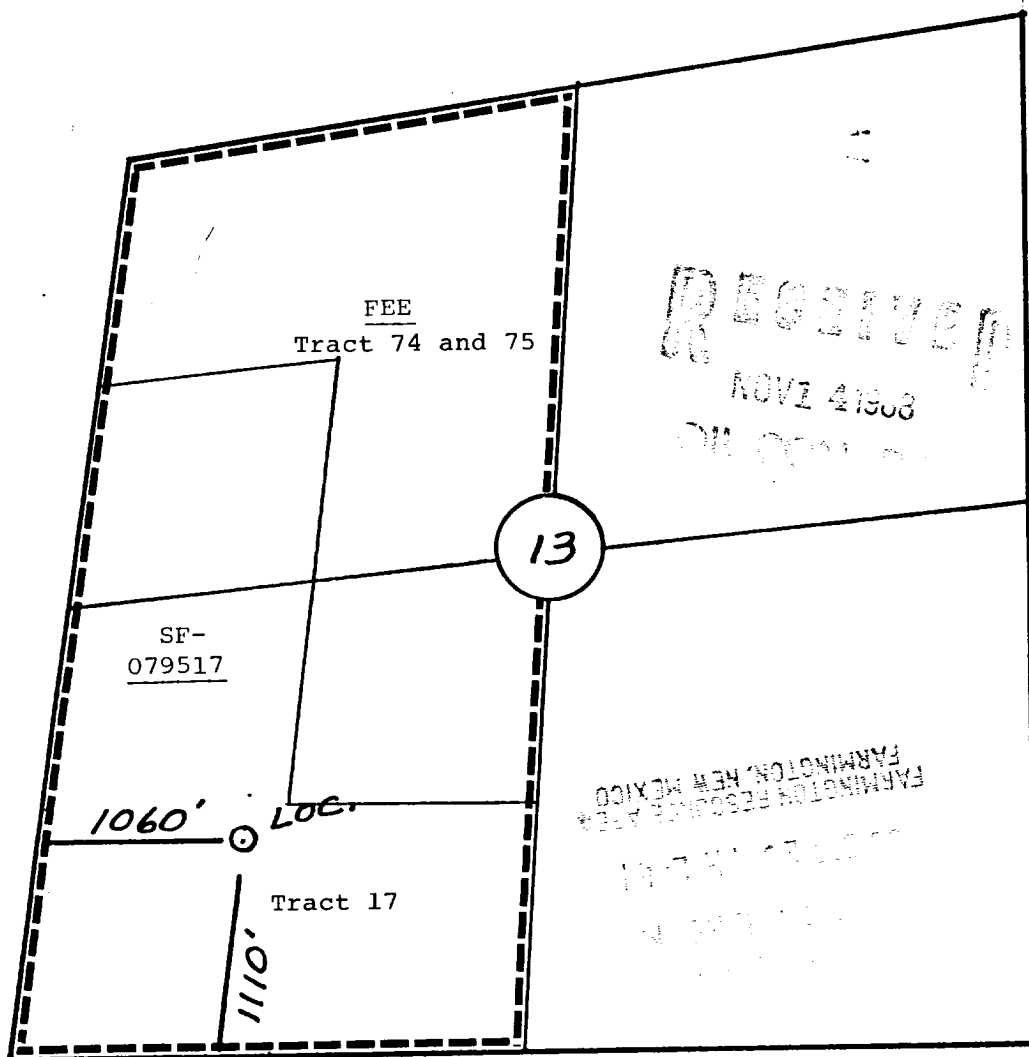
Operator Blackwood & Nichols Co., LTD.			Lease Northeast Blanco Unit		Well No. 439
Unit Letter M	Section 13	Township 30 North	Range 8 West	County San Juan	
Actual Footage Location of Well: 1110 feet from the South line and 1060 feet from the West line					
Ground Level Elev. 6095'	Producing Formation Fruitland Coal	Pool Basin Fruitland Coal		Dedicated Acreage 300.03	Acres

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?

☒ Yes ☐ No If answer is "yes," type of consolidation Unitization

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

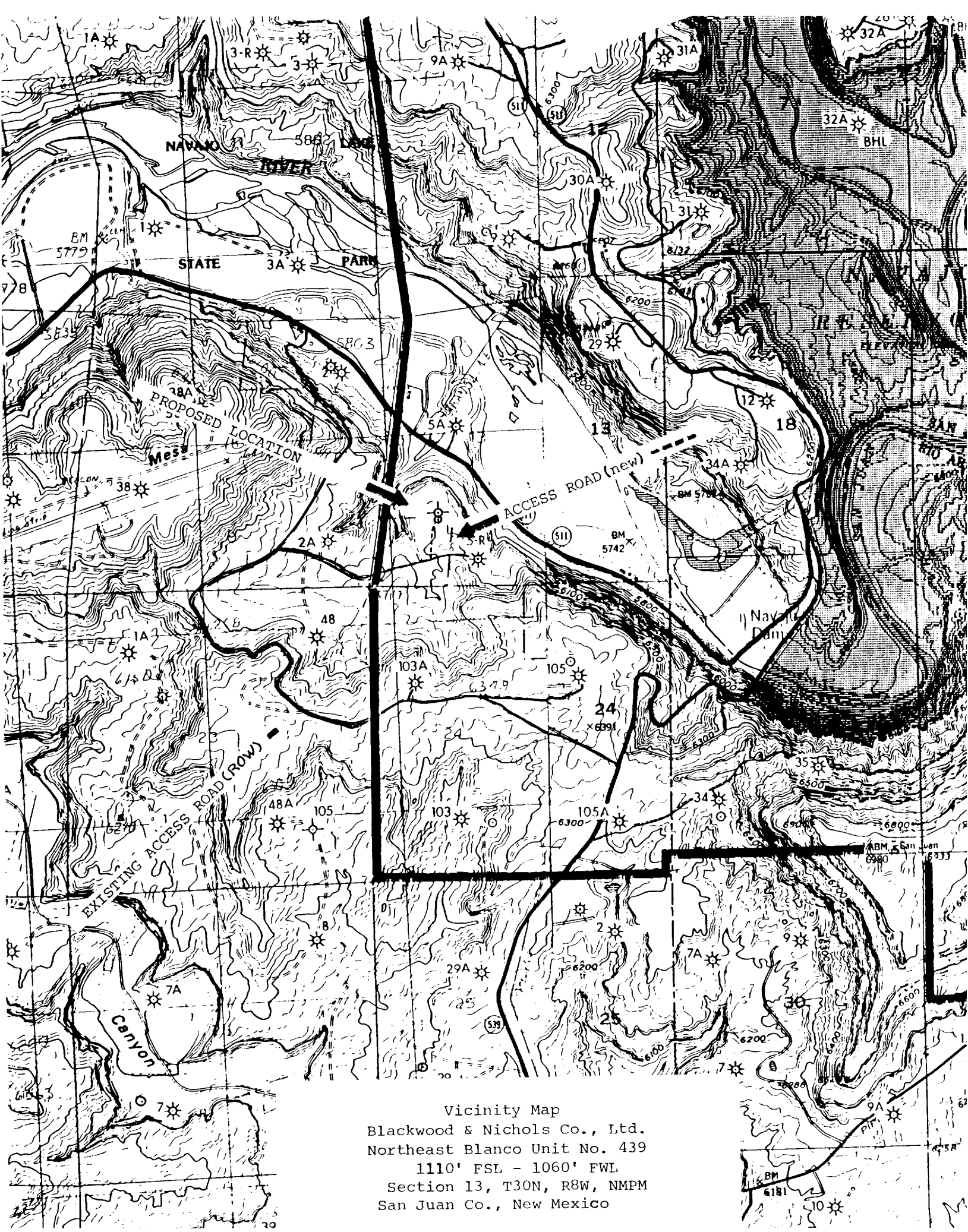
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name William F. Clark
Position Operations Manager
Company Blackwood & Nichols Co., Ltd.
Date

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 9-3-88
Registered Professional Engineer and/or Land Surveyor

Neale C. Edwards
Certificate No. 6857



Vicinity Map
Blackwood & Nichols Co., Ltd.
Northeast Blanco Unit No. 439
1110' FSL - 1060' FWL
Section 13, T30N, R8W, NMPM
San Juan Co., New Mexico