

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"/>		1b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		2. NAME OF OPERATOR Blackwood & Nichols Co., Ltd.	
3. ADDRESS OF OPERATOR P.O. Box 1237 Durango, Colorado 81301		4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1420' FNL- 1760' FEL At proposed prod. zone Same		5. LEASE DESIGNATION AND SERIAL NO. SF078615-A	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME		7. UNIT AGREEMENT NAME Northeast Blanco		8. FARM OR LEASE NAME Northeast Blanco Unit	
9. WELL NO. 441		10. FIELD AND POOL, OR WILDCAT Fruitland Coal		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 24, T30N, R8W NMPM	
12. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 12 miles NE of Blanco, New Mexico		13. COUNTY OR PARISH San Juan		13. STATE N.Mex.	
14. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1420'		15. NO. OF ACRES IN LEASE 320.00		16. NO. OF ACRES ASSIGNED TO THIS WELL 320	
17. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 300'		18. PROPOSED DEPTH 3250'		19. ROTARY OR CABLE TOOLS Rotary	
20. ELEVATIONS (Show whether DF, RT, GR, etc.) 6358' GL		21. APPROX. DATE WORK WILL START* November 15, 1988		22. DRILLING OPERATIONS AUTHORIZED ARE SUSPENDED BY ATTACHED	
23. PROPOSED CASING AND CEMENTING PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT	
12 1/4"	9 5/8"	36#	300'	207 cuft to circulate	
8 3/4"	7"	23#	3030'	781 cuft to circulate	
6 1/4"	5 1/2"	17#	2930 - 3250'	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 ROW for the portion of the gas pipeline that will run off the location to a tie in point on the NEBU # 105 to the south. This will require approximately 100' of ROW for a 3'-4", .188" wall, line buried a minimum of 36".

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 18, '88
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY _____ TITLE _____
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

AMUCC

APPROVED
AS AMENDED
NOV 15 1988
AREA MANAGER

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

Operator Blackwood & Nichols Co., LTD.		Lease Northeast Blanco Unit		Well No. 441
Unit Letter G	Section 24	Township 30 North	Range 8 West	County San Juan
Actual Footage Location of Wells 1420 feet from the North line and 1760 feet from the East line				
Ground Level Elev. 6358'	Producing Formation Fruitland Coal	Pool Basin Fruitland Coal	Dedicated Acreage: 320 Acres	

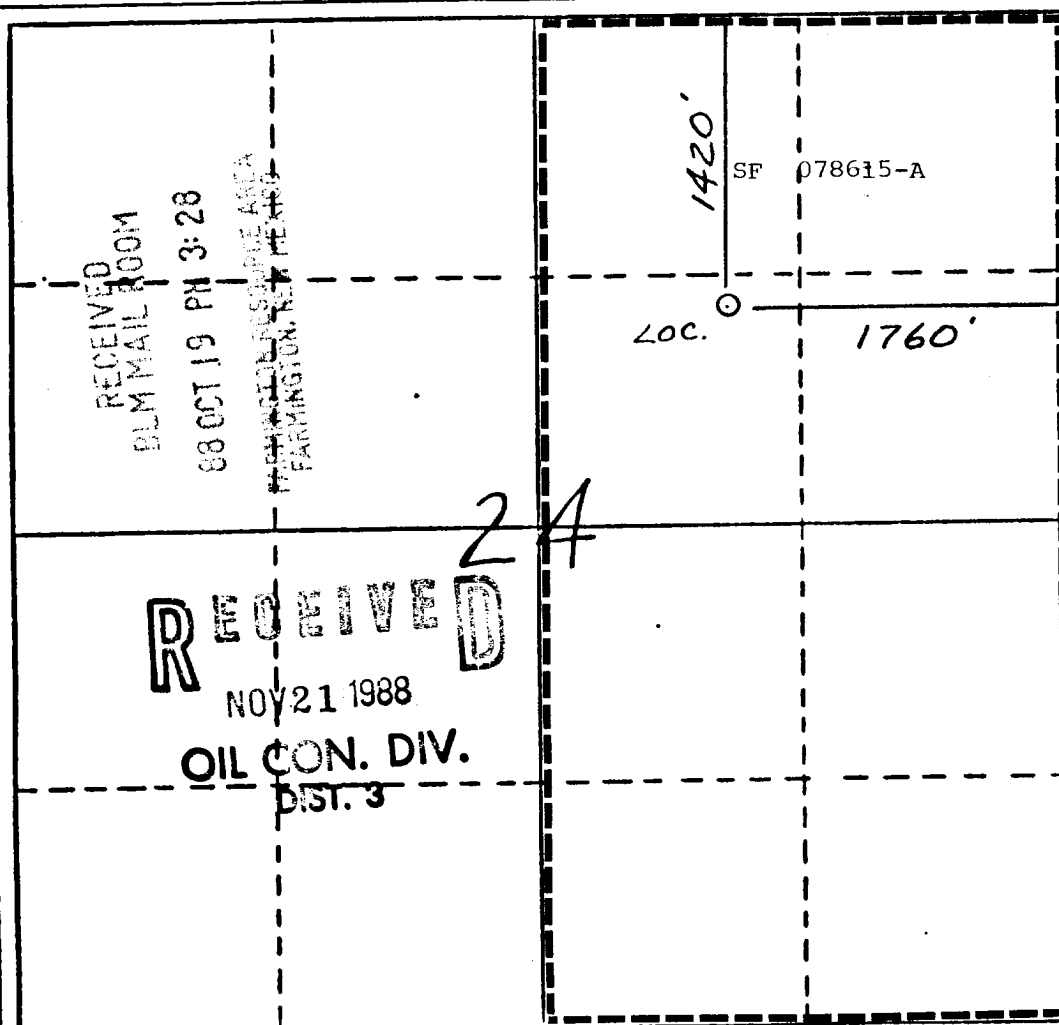
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is 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 NA

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

* Note: Standard location due to short section.



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 October 18, 1988

I hereby certify that the location shown on this plat was plotted from field notes of actual survey made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Neale C. Edwards
 Date Surveyed 9-3-88
 Registered Professional Engineer and/or Land Surveyor

Neale C. Edwards

Certificate No.

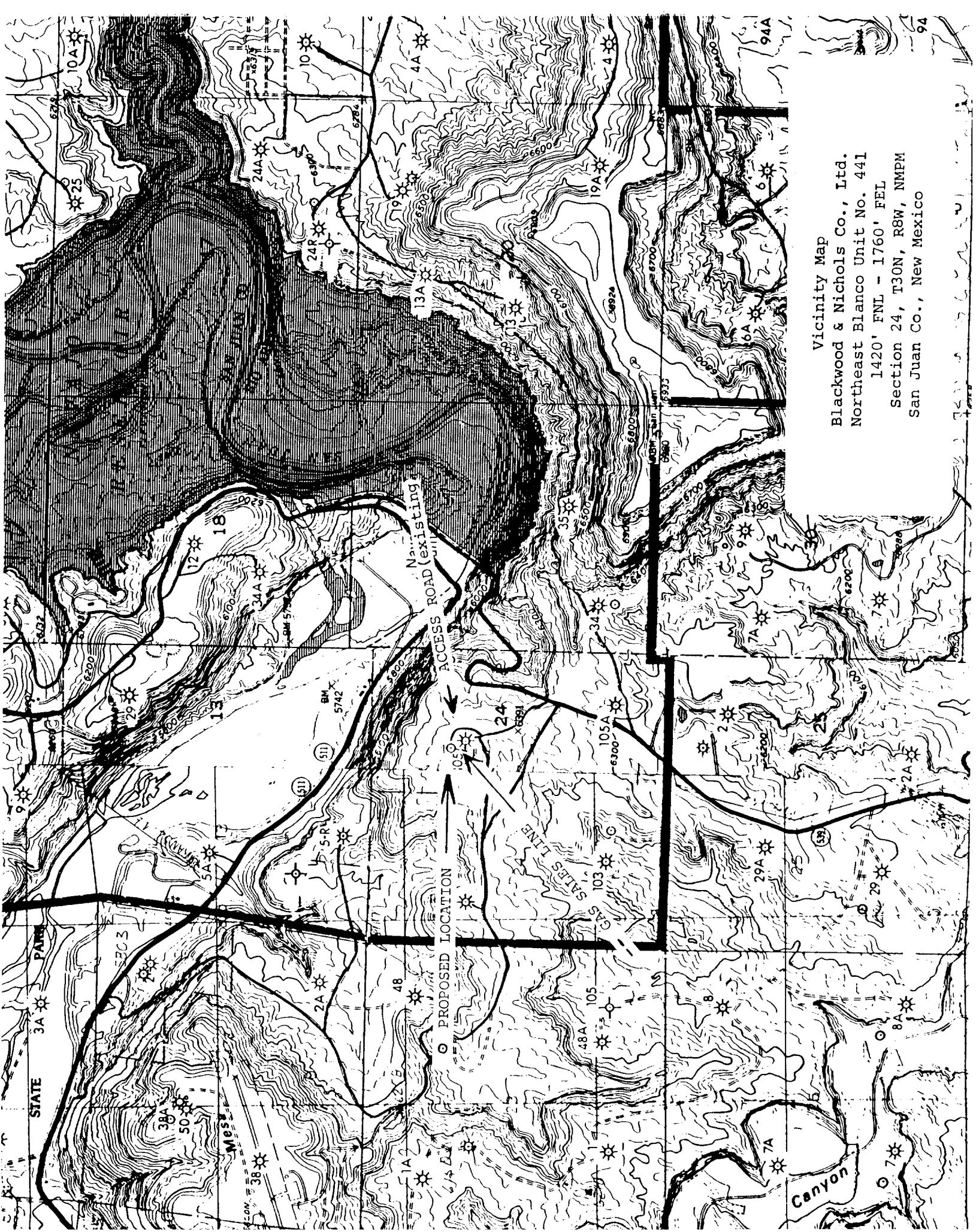
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RECEIVED
BLM MAIL ROOM

88 OCT 19 PM 3:28

FARMINGTON, NEW MEXICO

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NOV 21 1988
OIL CON. DIV.
DIST. 3



Vicinity Map
Blackwood & Nichols Co., Ltd.
Northeast Blanco Unit No. 441
1420' FNL - 1760' FEL
Section 24, T30N, R8W, NMPM
San Juan Co., New Mexico