

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. SF078581 - A	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <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 1240' FSL - 1650' FWL At proposed prod. zone Same		9. WELL NO. 437	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 14 miles NE of Blanco, New Mexico		10. FIELD AND POOL, OR WILDCAT BASIN Fruitland Coal	
10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drg. unit line, if any) 330'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA N Sec. 12, T30N, R8W, NMPM	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 150'		12. COUNTY OR PARISH San Juan	
16. NO. OF ACRES IN LEASE 596.07		13. STATE NM	
19. PROPOSED DEPTH 3030'		17. NO. OF ACRES ASSIGNED TO THIS WELL W 312.77	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6085' GL		20. ROTARY OR CABLE TOOLS Rotary	
22. APPROX. DATE WORK WILL START* November 15, 1988			
23. PROPOSED CASING AND CEMENTING PROGRAM "GENERAL REQUIREMENTS".			
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
12 1/4"	9 5/8"	36 #	300'
8 3/4"	7"	23 #	2780'
6 1/4"	5 1/2"	17 #	2680 - 3030'
			QUANTITY OF CEMENT
			207 cuft to circulate
			781 cuft to circulate
			39 cuft to circulate

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

RECEIVED

DEC 01 1988

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 27, '88

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

P. O. BOX 2088

Form C-102
Revised 10-1-78STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

SANTA FE, NEW MEXICO 87501

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

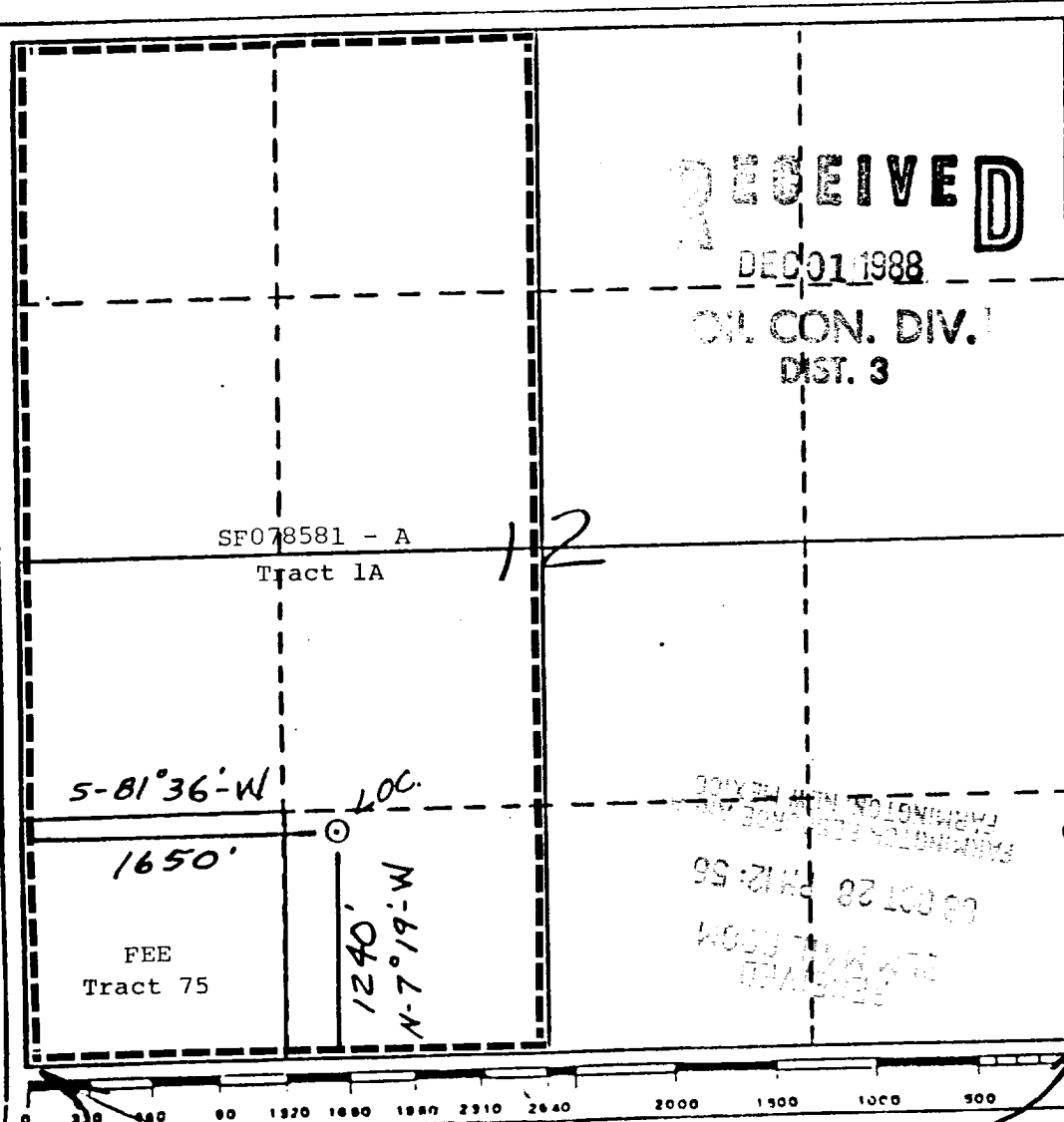
Operator Blackwood & Nichols Co., LTD.			Lease Northeast Blanco Unit		Well No. 437
Unit Letter N	Section 12	Township 30 North	Range 8 West	County San Juan	
Actual Footage Location of Wells 1240 feet from the South line and 1650 feet from the West line					
Ground Level Elev. 6085	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal		Dedicated Acreage: 312.77 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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

Position

Operations Manager

Company

Blackwood & Nichols Co., Ltd.

Date

I hereby certify that the 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

10-19-88

Registered Professional Engineer
and/or Land Surveyor

Neale C. Edwards

Certificate No.

6857

REC. N-7°19'-W 83.72

VICINITY MAP
 Blackwood & Nichols Co., Ltd.
 Northeast Blanco Unit No. 437
 1240'FSL - 1650'FWL
 Section 12, T30N, R8W, NMPM
 San Juan Co., New Mexico

PROPOSED LOCATION

EXISTING ACCESS ROAD

SAN JUAN RIVER

Mesa

STATE PARK

Navajo Dam