

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"/> 80 DEEPEN <input checked="" type="checkbox"/> 2:42 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"/> FARMINGTON RESOURCE AREA 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 1810' FSL - 1470' FWL At proposed prod. zone same				9. WELL NO. 435	
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 Basin Fruitland Coal	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)		1190'		17. NO. OF ACRES ASSIGNED TO THIS WELL W 336.41 323.30	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		900'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) SURFACE ELEVATIONS ARE 6389' GL SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".				22. APPROX. DATE WORK WILL START* November 15, 1988	
23. PROPOSED CASING AND CEMENTING PROGRAM				This action is subject to technical and procedural review pursuant to 43 CFR 3100.4 and appeal pursuant to 43 CFR 3100.4.	
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 #	3080'	781 cuft to circulate	
6 1/4"	5 1/2"	17 #	2980 - 3310'	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 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 a 6 1/4" hole through the 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.

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 depth. Give blowout preventer program, if any.

24.

SIGNED

William F. Clark

TITLE Operations Manager

DATE

Oct 24, 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

James E. Edwards

OIL CONSERVATION DIVISION

P. O. BOX 2088

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

SANTA FE, NEW MEXICO 87501

Form C-102
Revised 10-1-77

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

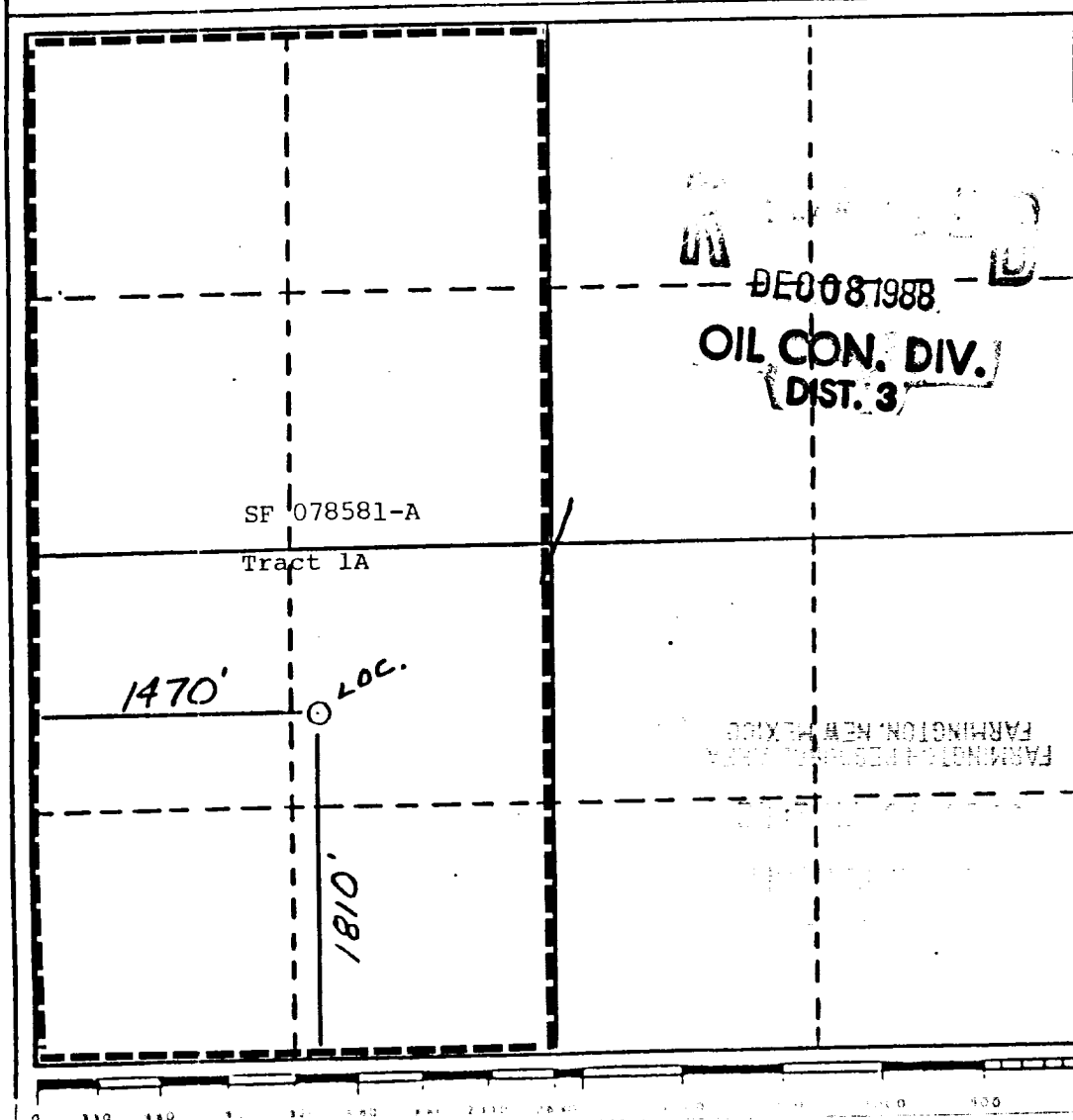
Operator Blackwood & Nichols Co., LTD.			Lease Northeast Blanco Unit		Well No. 435
Unit Letter K	Section 1	Township 30 North	Range 8 West	County San Juan	
Actual Postage Location of Well: 1810 feet from the South line and 1470 feet from the West line					
Ground Level Elev. 6389	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal		Dedicated Acreage 11.36.41 323.30 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 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.



CERTIFICATION

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

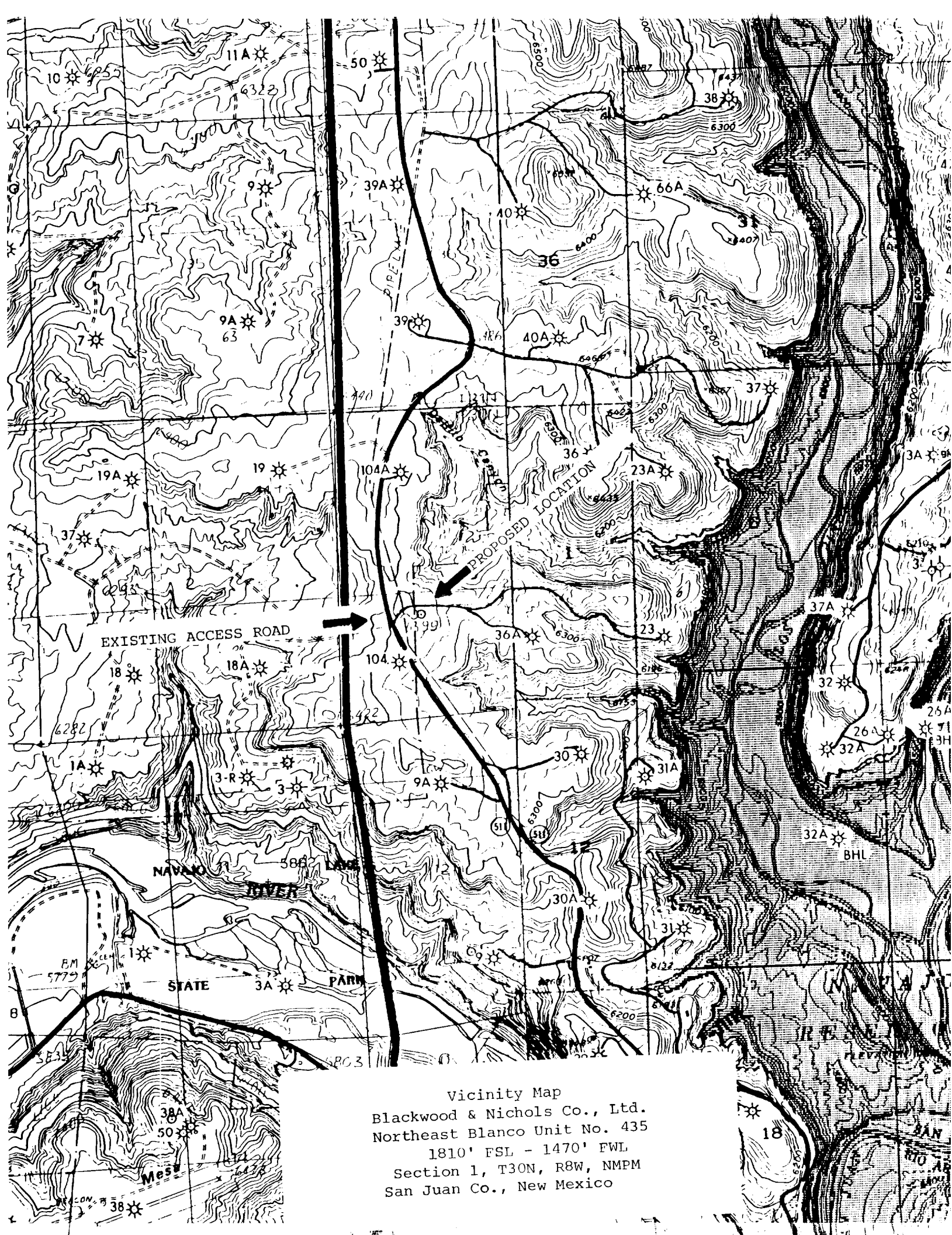
Name William F. Clark
Position Operations Manager
Company Blackwood & Nichols Co., Ltd.
Date

I hereby certify that the 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



Vicinity Map
Blackwood & Nichols Co., Ltd.
Northeast Blanco Unit No. 435
1810' FSL - 1470' FWL
Section 1, T30N, R8W, NMPM
San Juan Co., New Mexico