

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

3. BMIT (If not, state date)
(Other instructions on re-
verse side)

EXPIRES AUGUST 31, 1989
5. LEASE DESIGNATION AND SERIAL NO.

SF079042

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

| | |
|---|--|
| 1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER | 7. UNIT AGREEMENT NAME Northeast Blanco Unit |
| 2. NAME OF OPERATOR Blackwood & Nichols, Co., Ltd. | 8. FARM OR LEASE NAME Northeast Blanco Unit |
| 3. ADDRESS OF OPERATOR P.O. Box 1237, Durango, Colorado 81302-1237 | 9. WELL NO. 430 |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 2032' FSL, 1300' FWL 2045' FSL, 1280' FWL | 10. FIELD AND POOL, OR WILDCAT Basin Fruitland Coal |
| 14. PERMIT NO. 30-045-27308 | 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 5, T30N, R7W |
| 15. ELEVATIONS (Show whether DF, RT, GR, etc.) 6174' GL | 12. COUNTY OR PARISH San Juan |
| | 13. STATE NM |

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

| NOTICE OF INTEREST TO | SUBSEQUENT REPORT OF: |
|---|--|
| TEST WATER SHUT-OFF <input type="checkbox"/> | WATER SHUT-OFF <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | REPAIRING WELL <input type="checkbox"/> |
| FRACTURE TREAT <input type="checkbox"/> | FRACTURE TREATMENT <input type="checkbox"/> |
| SHOOT OR ACIDIZE <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| REPAIR WELL <input type="checkbox"/> | SHOOTING OR ACIDIZING <input type="checkbox"/> |
| (Other) <input type="checkbox"/> | ABANDONMENT* <input type="checkbox"/> |
| | (Other) Completion <input checked="" type="checkbox"/> |

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Fully state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.*

- 9-20-89 Move on and rig up. Pressure test 7" casing and blind rams to 2000 psig for 30 minutes - held OK. Pick up; Found cement at 2716'. Pressure tested pipe rams and HCR valves.
- 9-21 89 Drill cement from 2715'. Drill formation from 2762' to 3086'. Coal intervals: 1) 2906'-2944' (38'), 2) 2981'-2995' (12'), 3) 3021'-3028' (7'); and 4) 3072'-3085' (13'). Total 70'. Circulate and clean out.
- 9-22-89 Circulate and clean out with air. Shut in for pressure build-up. 1 Hr - 640. Surged well. Estimated 120 BWD.
- 9-23-89 Circulate with air and 10 Bbl sweeps. Shut in 2 hrs. for pressure build up. 905 psig. Surge well.
- 9-24-89 Circulating with air. Surged well. Shut in 2 hrd. for build up. 2 hr. - 875 psig. Surge well, large amount of coal returns.
- 9-25-89 Working pipe and circulating.

(continued on the next page.)

Page 1 of 3

18. I hereby certify that the foregoing is true and correct

SIGNED William F. Clark TITLE Operations Manager DATE 12 Dec '89

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

ACCEPTED FOR RECORD

FEB 01 1990

*See Instructions on Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make any statement which is false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NMOCD

3160-5

NEBU# 430

(Continued - Page 2 of 3)

- 9-26-89 Circulating hole with water and air; heavy coal in returns; well making estimated 1000 MCFD and 200 BWD. Worked pipe at TD; hole sticky, packs off with heavy slugs of coal fines.
- 9-27-89 Working pipe from 3019' to 3050' circulating air and water; well's gas production has increased to 1 - 1-1/2 MMCFD (estimate). Pipe sticky and hole packing off occasionally.
- 9-28-89 Circulated hole and worked pipe; pipe sticky, drag up and down, Well unloading water and light coal returns. Pipe stuck, shut in well, worked pipe free.
- 9-29-89 Circulating hole and working pipe at 3029'.
- 9-30-89 Cleaning out hole at 2872', air and water. Note - produced water has had a gray-mud color since 9-24-89 when well began making heavy coal; water has been becoming clearer each day and not as muddy anymore. Cleaned out to TD at 3085'. Well making estimated 20 BWH.
- 10-01-89 Circulated hole at 3085' with air. Pipe stuck at 3075', stopped circulating and worked pipe free. Circulated out heavy slug of coal and shale - large pieces. Continued cleaning out to 3060', pipe stuck 4 times - pipe free above 3029'; would have to drill back down each time - shales heaving; light returns of coal.
- 10-02-89 Circulate hole with air holding casing back pressure. Rigged up Cudd Pressure Control equipment.
- 10-03-89 Stripping 3-1/2" drillpipe out of hole.
- 10-04-89 Picked up 6-1/4" Smith FDT rerun bit then change-over with float to 5-1/2" 8rd then 11 jts 5-1/2" casing liner abd 7" x 5-1/2" liner hanger. Snubbed 5-1/2" liner into hole and changed BOP rams to 3-1/2". Stripped 3-1/2" drillpipe into hole.

TIH to 2820' with liner and found bridge; rotated and circulated through. Circulated liner down to 3013' and washed through bridges to TD at 3085' in five hours. Hole was tight and sticky at 3030' - 8' very troublesome. Set 5-1/2" liner 2' off bottom at 3083' with top at 2670'; packed off and released from liner hanger.

Top of Liner @ 2670'
Liner Float @ 3081'
Liner Bit @ 3083'

Perforations:
2760' to 2803'
2887' to 3080'

(continued on next page)

3160-5

NEBU# 430

(Continued -Page 3 of 3)

10-05-89 5-1/2" liner top - 2670', bottom - 3083'. Picked up 4-1/2" skirt mill. Drilled and milled liner perf plugs from 2760' to 2888', and 2888' to 3078'. PBTD - 3078'.

Ran 98 jts 2-7/8" 6.5# J-55 EUE FBNAU new tubing (3055.04) and set expendable check at 3068' and F nipple (2.25" ID) at 3036'. Landed tubing donut in wellhead. Nipple down BOP stack and nipple up tree. Pumped off expendable check and preparing to gauge well.

10-06-89 Gauged well, 2" pitot; 1/2 hour - 14 oz., 582 MCFD; 1 hour - 35 oz., 910 MCFD (dry). Shut in well. Rig down - 10-05-89.