

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER ☐

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Blackwood & Nichols Co., Ltd.

3. ADDRESS OF OPERATOR

P. O. Box 1237, Durango, Colorado 81302

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface

At proposed prod. zone 1190' F/SL, 1050' F/WL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

20 miles

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

16. NO. OF ACRES IN LEASE

640

17. NO. OF ACRES ASSIGNED
TO THIS WELL

320

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

8000'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

6347' GL (Ungraded)

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
GENERAL REQUIREMENTS

22. APPROX. DATE WORK WILL START*

September 15, 1987

23.

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 48 CFR 3165.4.

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
12 1/4"	9 5/8"	36.0	300'
8 3/4"	7"	23.0	3,650'
6 1/4"	4 1/2"	11.6	8,000'

Circulate (325 cf)
Cover Ojo Alamo (1,000 cf)
Fill to 7" Csg. (600 cf)

Blackwood & Nichols proposes to drill this well to further develop the Basin Dakota Formation in the Northeast Blanco Unit. Project summary:

- 1) Drill a 12 1/4" hole to $\pm 300'$. Run and cement 9 5/8" surface casing; circulate cement to surface, WOC - 12 hours.
- 2) Install the BOP; pressure test casing to 1,000 psi.
- 3) Drill an 8 3/4" hole to $\pm 3,650'$ with a weighted gel mud; run and cement 7" casing; cover Ojo Alamo with cement; run temperature log if cement not circulated.
- 4) Pressure test 7" casing to 1,000 psi.
- 5) Drill a 6 1/4" hole with gas to $\pm 8,000'$; run 4 1/2" production casing and cement back to the base of the 7" casing; run a temperature survey.
- 6) Perforate and breakdown the Dakota zone, fracture stimulate.
- 7) Run 2 3/8" tubing.

Attached: Onshore Drilling Program Surface Use Program

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
William F. Clark

TITLE

Operations Manager

DATE

August 21, 1987

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

SEP 14 1987

OIL CON. DIV.
NMOC DIST. 3

APPROVED
AS A...

SEP 22 1987
/s/ Arlan S. Miner

*See Instructions On Reverse Side

FOR

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

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

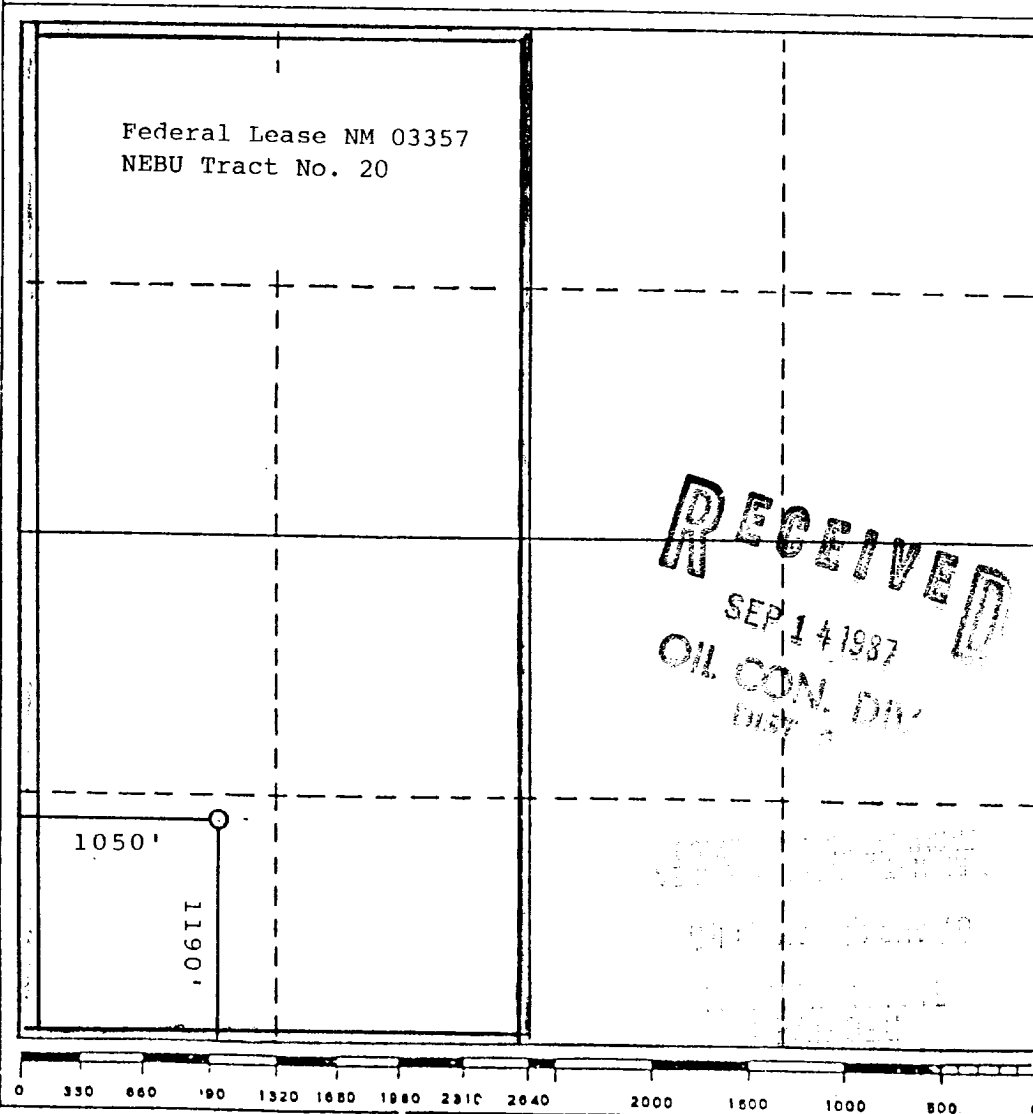
Operator BLACKWOOD & NICHOLS CO., LTD			Lease NORTHEAST BLANCO UNIT		Well No. 304
Unit Letter M	Section 30	Township 31 N.	Range 6W., N.M.P.M.	County Rio Arriba	
Actual Footage Location of Well: 1190 feet from the south line and 1050 feet from the west line					
Ground Level Elev. 6347 (U.G.)	Producing Formation Dakota		Pool Basin Dakota	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 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 Commission.



CERTIFICATION

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

William F. Clark

Name
William F. Clark

Position
Operations Manager

Company
Blackwood & Nichols Co., Ltd.

Date
August 14, 1987

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
August 14, 1987

Registered Professional Engineer
and/or Land Surveyor
Allison L. Kroeger
Allison L. Kroeger, PLS
Certificate No.

7922

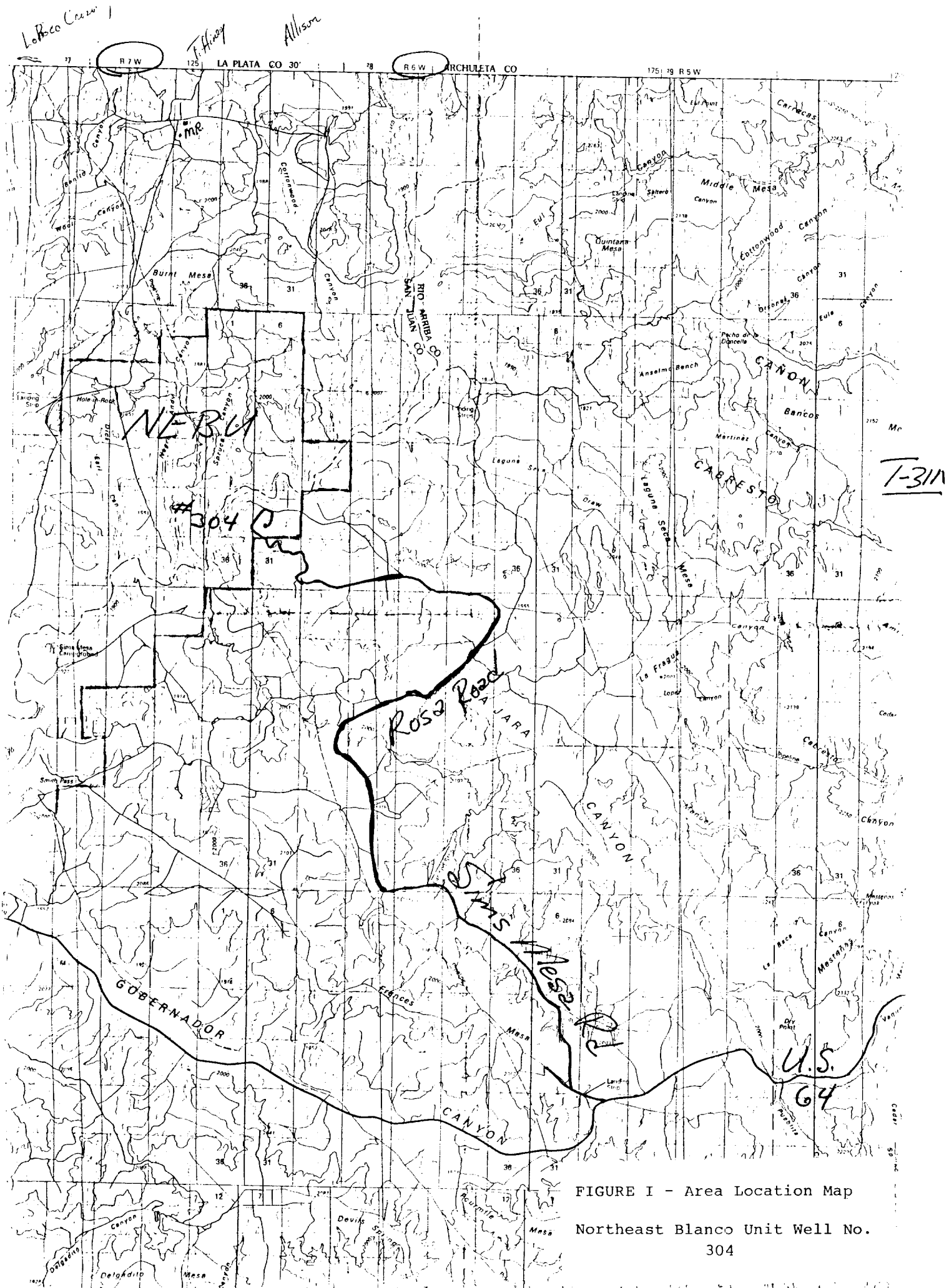


FIGURE I - Area Location Map
Northeast Blanco Unit Well No.
304