

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-245-24890

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL ☒ DEEPEN ☐ PLUG BACK ☐			5. LEASE DESIGNATION AND SERIAL NO. NM 03358		
b. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER ☐			6. IF INDIAN, ALLOTTEE OR TRIBE NAME		
2. NAME OF OPERATOR Blackwood & Nichols Co., Ltd.			7. UNIT AGREEMENT NAME NEBU Agreement No. 1, Sec. 999		
3. ADDRESS OF OPERATOR P. O. Box 1237, Durango, Colorado 81301			8. FARM OR LEASE NAME Northeast Blanco Unit		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 790' F/SL - 1190' F/WL At proposed prod. zone Same			9. WELL NO. 206		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Ten Miles			10. FIELD AND POOL, OR WILDCAT South Los Pinos-Fruitland PC		
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 2396.77		17. NO. OF ACRES ASSIGNED TO THIS WELL 160	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		19. PROPOSED DEPTH		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6625' GL				22. APPROX. DATE WORK WILL START* March 1, 1981	

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"	36.00#	250'	Circulate
7 7/8"	4 1/2"	10.50#	3670'	Cover Ojo Alamo

- NTL-6
- (3) San Jose
- (6) Ojo Alamo 2225'; Kirtland 2410'; Lewis Shale 3645'.
- (7) Fruitland 3205'; Pictured Cliffs 3515'.
- (9) 9 5/8" surface; 250 sacks Class B cement with 2% CaCl₂; circulate to surface.
4 1/2" Production casing; 265 sacks Howco Lite cement with 1/4# flocele per sack, followed with 225 sacks 50-50 Pozmix with 2% Gel and 1/4# flocele per sack to cover the Ojo Alamo formation.
- (10) A 3000 PSI WP; Series 10" - 900 - adapted to Series 10" - 600 and 6" - hydraulic blowout preventer equipped with blind and necessary pipe rams will be used with adequate kill and bleed off lines. Blowout preventer will be pressure tested after 9 5/8" is set and will be tested as to operating condition during each trip while drilling. A rotating blowout preventer will also be used. (See schematic diagram).
- (11) A low water loss gel base drilling mud of sufficient weight to control the Fruitland Formation will be used while drilling the 7 7/8" hole.

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. DeLasso Loos TITLE District Manager DATE January 2, 1981

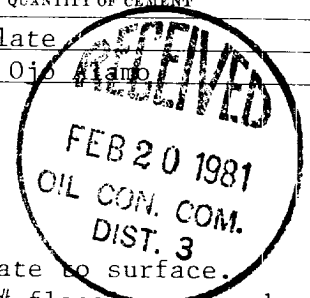
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side



Instructions

General: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Item 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

Items 15 and 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

Item 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

★ U.S. GOVERNMENT PRINTING OFFICE : 1963-O-711-396

(continued)

- (12) Induction Electric, Compensated Density and Neutron logs will be run. Possibly Drill Stem Tests may also be run.
- (13) Normal Fruitland field pressures are anticipated and will be controlled with sufficient weighted mud. No hydrogen sulfide is anticipated.

**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.

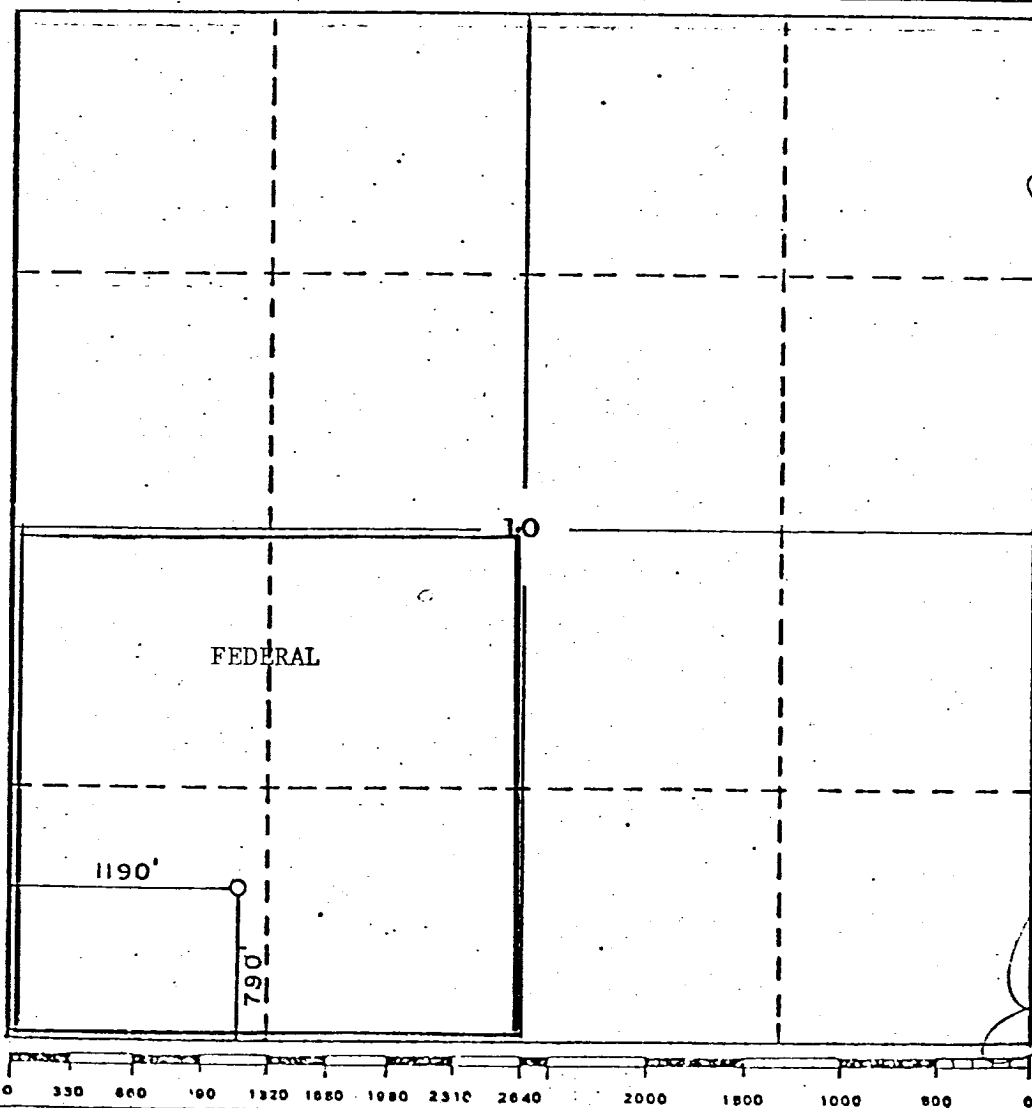
Operator BLACKWOOD & NICHOLS			Lease NORTHEAST BLANCO UNIT		Well No. 206
Unit Letter M	Section 10	Township 31 N.	Range 7W., N.M.P.M.	County SAN JUAN	
Actual Footage Location of Well: 790 feet from the south line and 1190 feet from the west line					
Ground Level Elev. 6625 U.G.	Producing Formation Fruitland Pictured Cliffs		Pool South-Los Pinos Pictured Cliffs	Dedicated Acreage: 160 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.

DeLasso Loos
Name
DeLasso Loos
Position
District Manager
Company
Blackwood & Nichols Co., Ltd.
Date
October 22, 1980

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
October 14, 1980
Registered Professional Engineer and/or Land Surveyor
John A. Kregger
John A. Kregger, I.S.
Certificate No.
1941

