

**UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY**

30-045-26901

5. LEASE DESIGNATION AND SERIAL NO.
SF 079003

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
NEBU No 1, Sec 929

8. FARM OR LEASE NAME
2116

9. WELL NO.
Northeast Blanco Unit

10. FIELD AND POOL, OR WILDCAT
UNIDEP
Fruitland Coal 71629

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
E-34-31N-7W

12. COUNTY OR PARISH
San Juan

13. STATE
New Mexico

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. 2505

3. ADDRESS OF OPERATOR
P.O. Box 1237 Durango, CO 81302-1237

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface
1730' FNL, 260' FWL
At proposed prod. zone

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

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

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

16. NO. OF ACRES IN LEASE
2560

17. NO. OF ACRES ASSIGNED TO THIS WELL
160

19. PROPOSED DEPTH
3460'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
6295' U.G.

22. APPROX. DATE WORK WILL START*
April 22, 1988

PROPOSED CASING AND CEMENTING PROGRAM

This action is subject to technical and procedural review pursuant to 43 CFR 3183.3 and appeal pursuant to 43 CFR 3183.4.

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
12 3/4"	9 5/8"	36.0#	300'
8 3/4"	7"	23.0#	3460'

Circulate (325 cf)
Circulate or (800 cf)
Cover OjoAlamo

Blackwood & Nichols Co., Ltd. proposes to drill this Fruitland Coal well to further develop the Northeast Blanco Unit. This APD requests right of way for the pipeline. A Notice of Staking for this well was submitted on March 22, 1988.

Attached: Onshore Drilling Program and Surface Use Program

RECEIVED
MAY 2 1988
OIL CON. DIV
MST 9

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 March 28, 1988

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

NSL #2504 *AB*

*See Instructions On Reverse Side

AB
10/27

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.

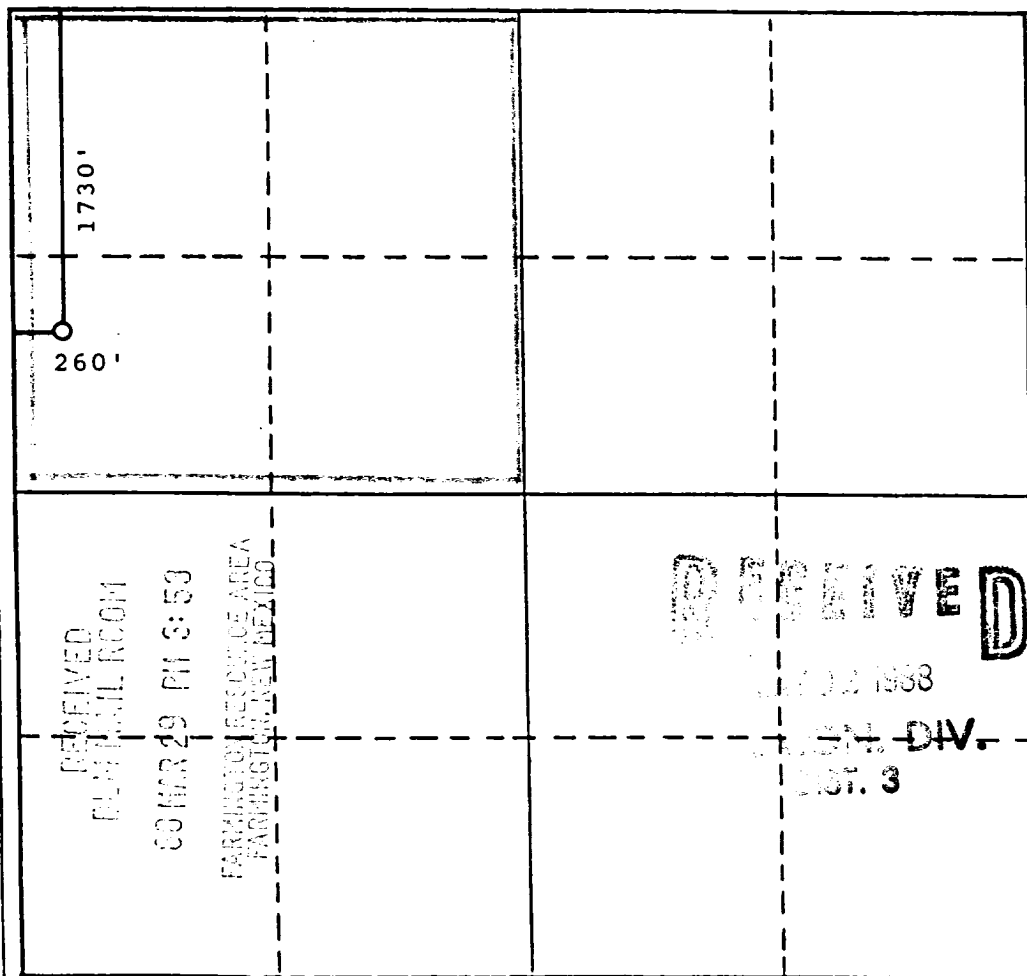
Operator BLACKWOOD & NICHOLS CO., LTD.		Lease NORTHEAST BLANCO UNIT		Well No. 404
Unit Letter E	Section 34	Township 31 North	Range 7W., N.M.P.M.	County San Juan
Actual Footage Location of Well: 1730 feet from the north line and 260 feet from the west line				
Ground Level Elev: 6295 (U.G.)	Producing Formation Fruitland Coal	Pool Undeg. Fruitland COAL	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.

William F. Clark

Name William F. Clark
Position Operations Manager
Company Blackwood & Nichols Co., Ltd.
Date March 25, 1988

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 March 25, 1988
Registered Professional Engineer and/or Land Surveyor <i>Allison L. Kroeger</i> Allison L. Kroeger, PLS

Certificate No. **7922**

