

Submit to Appropriate District Office
 State Lease - 6 copies
 Fee Lease - 5 copies

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-101
 Revised 1-1-89

OIL CONSERVATION DIVISION
 P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

API NO. (assigned by OCD on New Wells)

30-045-27298

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.
 E-3150-1

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:
 DRILL RE-ENTER DEEPEN PLUG BACK
 b. Type of Well:
 OIL WELL GAS WELL OTHER
 SINGLE ZONE MULTIPLE ZONE

7. Lease Name or Unit Agreement Name
 Northeast Blanco Unit
 2116

2. Name of Operator
 Blackwood & Nichols Co., LTD 2505

8. Well No.
 473

3. Address of Operator
 P.O. Box 1237, Durango, CO 81302-1237

9. Pool name or Wildcat
 Basin Fruitland Coal 71629

4. Well Location
 Unit Letter G : 1850 Feet From The North Line and 1780 Feet From The East Line
 36 Section 31 North Township 8 West Range NMPM San Juan County

10. Proposed Depth 3369
 11. Formation Basin Fruitland Coal
 12. Rotary or C.T. Rotary

13. Elevations (Show whether DF, RT, GR, etc.) 6453' GL
 14. Kind & Status Plug. Bond Statewide
 15. Drilling Contractor
 16. Approx. Date Work will start May 1, 1989

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4"	9 5/8"	36#	300'	175/ 207 cuft to	circulate
8 3/4"	7"	23#	3197'	440/ 744 cuft to	circulate
6 1/4"	5 1/2"	17#	3097'-3369'	30/ 39 cuft to	circulate

Propose to spud in the San Jose formation. Will drill a 12 1/4" 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 8 3/4" hole with fresh water mud to TD of 3197' with fresh water mud. No abnormal pressures or poisonous gases are anticipated. Run and cement intermediate casing with cement returns to surface. WOC 12 hours. Test to 1500 psi. Drill a 6 1/4" hole through the Fruitland coals using water and air. A 5 1/2" liner will be run. The liner may or may not be cemented, depending on the wells natural producing ability.

RECEIVED

APR 26 1989

OIL CON. DIV.

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE William F. Clark TITLE Operations Manager DATE April 24, 1989
 TYPE OR PRINT NAME William F. Clark TELEPHONE NO. 303/247-0728

(This space for State Use)

APPROVED BY Em Bush TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE MAY 01 1989

CONDITIONS OF APPROVAL, IF ANY:

APPROVED 11-1-89
 UNLESS OTHERWISE INDICATED
 SPUD NOTICE MUST BE SUBMITTED
 WITHIN 10 DAYS

Submit to Appropriate District Office
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 Fee Lease - 3 copies

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-102
 Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

DISTRICT I
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DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

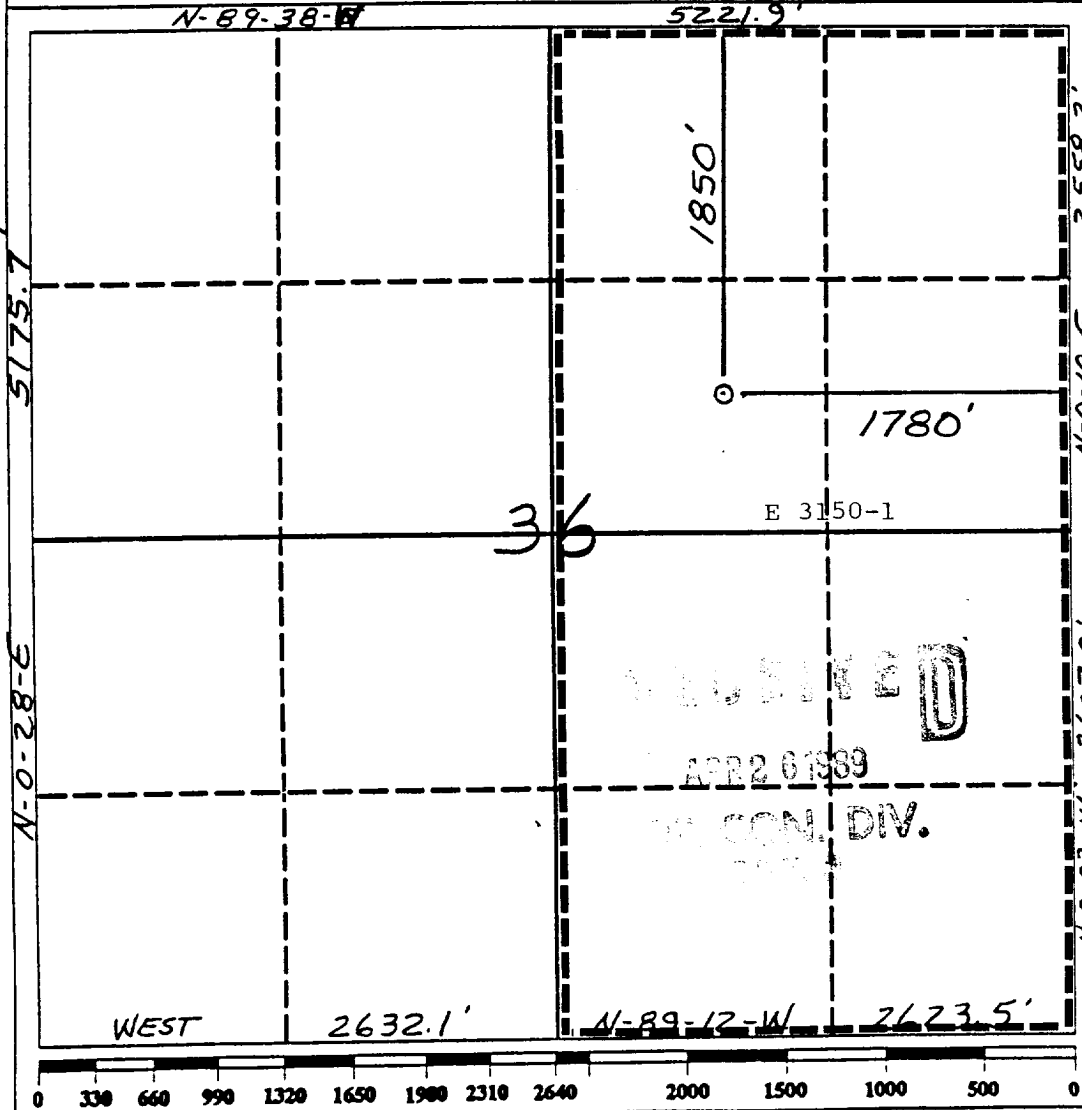
Operator Blackwood & Nichols Co., LTD.		Lease Northeast Blanco Unit		Well No. 473
Unit Letter G	Section 36	Township 31 North	Range 8 West	County San Juan
Actual Footage Location of Well: 1850 feet from the North line and 1780 feet from the East line				
Ground level Elev. 6453	Producing Formation Fruitland Coal	Pool Basin Fruitland Coal	Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

Yes No If answer is "yes" type of consolidation N/A

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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

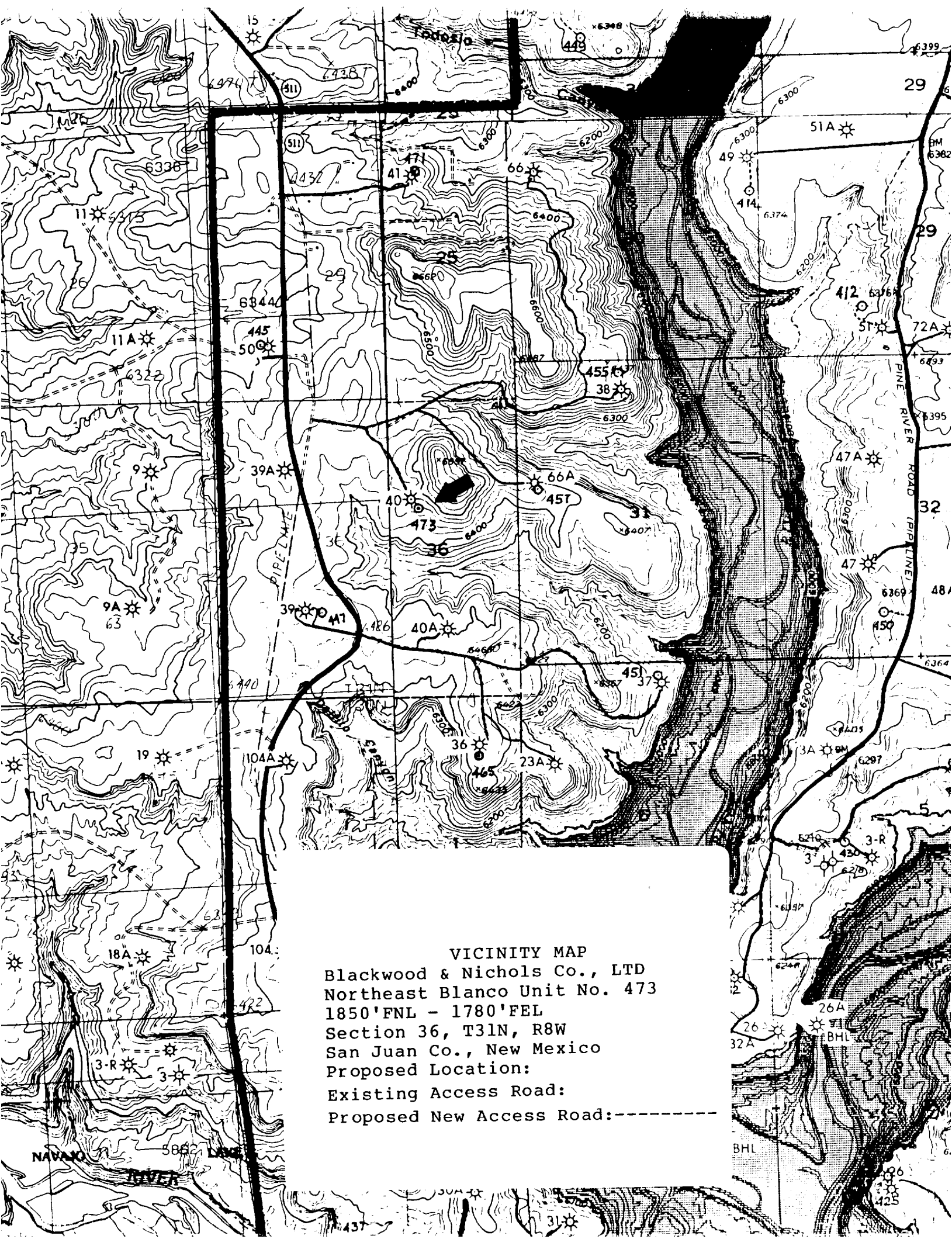
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *William F. Clark*
 Printed Name: **William F. Clark**
 Position: **Operations Manager**
 Company: **Blackwood & Nichols Co.**
 Date: **April 24, 1989**

SURVEYOR CERTIFICATION

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. 2-24-89

Date Surveyed: **6-23-89**
 Signature & Seal of Professional Surveyor: *Neale C. Edwards*
 Certificate No.: **6857**



VICINITY MAP
Blackwood & Nichols Co., LTD
Northeast Blanco Unit No. 473
1850'FNL - 1780'FEL
Section 36, T31N, R8W
San Juan Co., New Mexico
Proposed Location:
Existing Access Road:
Proposed New Access Road:-----