(Formerly 9=331)				5. LEASE DESIGNAT	5. LEASE DESIGNATION AND SERIAL SURSE OF 079045	
(Do not use this for	RY NOTICES AND m for proposals to drill or m TAPPLICATION FOR PEI	to deepen or plug b	ack to a different reservoir.	6. IF INDIAN, ALLO	TTEE OR TRIBE NAME	
i.			- ULM MAII/ROOM	7. UNIT AGREEMENT	BKAN	
WELL GAS THER				Northeast Blanco Unit		
2. NAME OF OPERATOR			JOUAN JO ANTI: J	•		
Blackwood & Nichols Co., Ltd.					Northeast Blanco Unit	
	0. Box 1237, Dur	rango Color	ado 81302	408		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 1035 ' FNL, 1305 ' FEL				<u> </u>	10. PIELD AND POOL, OR WILDCAT	
				l l	Basin Fruitland Coal	
				11. SEC., T., B., M., C	11. SEC., T., B., M., OR SLK. AND SURVET OR AREA	
		- 		Sec. 20, T		
14. PERMIT NO. 30-045-273	21	S (Show whether DF, 5 ' GL	RT. GR. etc.)	12. COUNTY OR PART	New Mexico	
16.	Check Appropriate Box	. To Indicate No	ature of Notice, Report, o	or Other Data	12.0 1.0.12.00	
				SEQUENT REPORT OF:		
TEST WATER SHUT-OFF	PULL OR ALTER C		WATER SHUT-OFF			
FRACTURE TREAT	MULTIPLE COMPIL		FRACTURE TREATMENT	REPAIRING ALTERING	I [
SHOOT OR ACIDIZE	ABANDON®.		SHOOTING OR ACIDIZING	ABANDONS	· 	
REPAIR WELL	CHANGE PLANS		(Other) Complet	ion	X	
(Other)			(Norg: Report res Completion or Reco details, and give pertinent da	ults of multiple completion pupietion Report and Log	(orm.)	
	RIH with 6-1/4	" bit and	2-89. Nipple up 3-1/2" drillpip	pe		
ECEIAE	test 7" casing Drilled float	and BOP mand shoe	float collar to rams to 2000 psi cement to 303	ig - held OK. 4'. Washed	and	
FEB1 3 1990	reamed open hole interval from 3034' to 3057' - originally drilled before 7" casing set. Circulated					
L CON. DIV.	gas-cut mud ar	nd cement	out of hole.	Drilled new c	pen	
DIST. 3	hole from 3057' to 3292' with 5-1/2 BPM water, 8000# to 10,000# BOP, 100 RPM. Well making 10' gas flare.					
	Drilled open hole from 3292' to 3344' with water. Open hole TD - 3344'. Circulated well with 5 BPM. Pulled into 7" casing and let well blow through one blooie line, strong gas flare.					
(Continued	on next page)					
SIGNED William F.	" Allan	TITLE Ope	rations Manager	DATE 16 J	"an" 90	
(This space for Federal or State office use)		ACCENTER				
APPROVED BYCONDITIONS OF APPROVAL, IF ANY:		TITLE	A	CCEPTED L		
		∿N	NMOSE); FEB 0 8 1990			
	*Se	ee Instructions o	n Reverse Side			

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

3160-5 NEBU #408 Continued - Page 2

- 11-15-89 TIH and clean out bridge at 3250', then went to TD -no fill. Killed gas well with water and back pressure pumping across BOP stack 300 psig. Rigged up Cudd Pressure Control.
- 11-15-89 Coal zones at: 3042-3049' (7'); 3124-3125'(1'); 3126-3129' (3'); 3132-3134' (2'); 3139-3141' (2'); 3144-3165' (21'); 3171-3172' (1'); 3201-3204' (3'); for a total of 40' of coal. Estimated tops: Upper Pictured Cliff sand (tongue) at 3240'; and main Pictured Cliffs sand at 3316'. Note there is no Basal Fruitland Coal in this well. Preparing to set a cement plug from 3235'to 3344' to isolate all PC sand zones.
- 11-16-89 Pressure tested BOP snubbing stack. Stripped 3-1/2" drill pipe out of hole. Picked up sawtooth mill and 3-1/2" drill pipe and snubbed and stripped into hole.

TIH to 3340' then circulated down to TD at 3344'. Rigged up Howco and mixed 50 sx Class G cement with 1% CFR2 at 16.3 ppg and 1.02 cf/sk. Pumped 1 Bbl of cement to pit then 5 Bbls (28 cf) down drill pipe; washed up pump and lines then displaced cement with 22 Bbls of water.

Pulled end of drill pipe up to 3235'. Circulated up 3 to 4 Bbls of very thin cement water.

Pulled drill pipe into 7" casing and started WOC. Balanced plug cement job completed 10:30 p.m., 11-15-89.

11-17-89 WOC. Break circulation at 3030'. TIH to 3245' - no cement. Circulate down to TD at 3345' - no cement felt or returned.

Circulate well clean. Rig up Howco and mix 50 sx Class G cement with 1" CaCl₂ + 1/2% CFR-2. Weight - 16.7 ppg, yield - 1.02 cf/sk. Cleaned pump and lines then 1 Bbl cement to pit then 4.5 Bbls down drill pipe followed by newspaper plug then displaced with 22 Bbls water; final pressure 920 psig at 2 BPM. Rigged down Howco. Stripped 100 jts drill pipe out of hole.

11-18-89 Snubbed drill pipe out of hole; laid down 6 jts filled with cement, changed rams and snubbed 6-1/4" bit and 3-1/2" drill pipe.

3160-5 NEBU #408 Continued - Page 3

- 11-18-89 Tagged at 3134'. Picked up swivel and washed down to 3221'. Drilled hard cement from 3221' to 3224' with 6 BPM water, 8000# WOB, 80 RPM, and pump 550 psig; dressed off top of cement plug new open hole PBTD -3224'. Circulate well clean, pull into 7" casing Rig down Cudd snubbing equipment; well blowing water and gas through 2" relief line.
- 11-19-89 Circulated hole with various air and water rates; hole sticky at times. Return moderate to light coal. Water estimated at 480 BWD.

Shut in well; 1 hr - 700 psig. Surged well. TIH and cleaned out 87' fill with 5 BPM water. Heavy coal returns.

Circulated well with various air and water rates. Lost circulation and pulled pipe up to 3138' to regain. Cleaned out with water, very heavy coal returns.

- 11-20-89 Circulate with water and air, hole sticky; returns moderate to heavy coal. Pull into 7" casing to gauge well. Clean out to TD with water then add air. Hole sloughed, pull pipe free. Washing down to TD. Hole sticky and tight.
- 11-21-89 Circulated hole with air and water. Wellbore heaving coal, sticky. Returns are heavy to moderate coal. Water production estimated at 480 BWD.
- 11-22-89 Circulated hole with air and water attemp-ting to clean out to TD; hole sloughing and sticky.
- 11-23-89 Cleaned out from 3160' to TD with water and holding 250 to 300 psig back pressure. Worked pipe on bottom, had light coal and coal fines in returns.
- 11-24-89 Circulated with 7 BPM water through 1 blooie line. Worked pipe to 3200', sticky and torquing up. Worked pipe up to 3180'. Pressured up well to 180 psi and pulled into 7" casing, closed rams and held 320 psi through choke manifold. Cleaned mud tanks, rigged up mud mixing equipment and held 320 psi on well.
- 11-25-89 Mixed 320 Bbls calcium carbonate mud. Circulated well with mud, drill pipe at 3035'. Circulated well to mud pit, hole taking fluid. Stopped circulating and observed well.

3160-5 NEBU #408 Continued - Page 4

11-26-89 Mud weight - 10.4 ppg. Mud lost to formation in last 24 hours - 120 Bbls. Cumulative mud lost - 400 Bbls.

TIH, hit bridge at 3180'. Circulating to bottom, working pipe through tight spots at 3180' and 3200'. Short trip. Circulating off bottom - 3' fill. TOH to run liner. Change rams and rig up to run 5-1/2" liner. Pick up 5-1/2" V-shoe, 5-1/2" 23# P-110 liner and RIH.

Finished TIH with 5-1/2" liner on 3-1/2" drill pipe. Washed and rotated through bridges at 3180' and 3200'. Cleaned out to PBTD at 3224' and set liner at 3223'. Ran 8 jts (265.58') 5-1/2" 23# P-110 new casing with 2 full + one 1/2 (102.90') jts. perforated (8 HPF - 1" x 5/8" ID) and 3 full + two 1/2s (161.43') jts. blank casing and a Baker/Brown CMS 7" x 5-1/2" liner hanger (10.11') with up and down slips and gold seal pack off element. Total length 273.69'.

Liner Summary

Perforations (8 HPF):

Liner Top - 2957' 3039' to 3059'

Guide Shoe - 3223' 3119' to 3202'

Overlap - 86'

Lay down drill pipe. 4-1/2" mill, 2-7/8" EUE tubing. Drill plugs at 3039-3059' and 3119-3202'. Pushed plugs to 3215'. Let well flow to clean up through blooie lines. Flow back gas-cut mud, water, and gas.

11-28-89 POOH with 4-1/2" mill, RIH with expendable plug, one jt tubing, F nipple (2.25" ID) and 100 jts 2-7/8" tubing.

Ran 101 jts (3096.86') 2-7/8" 6.5#, J-55, Siderca FBNAU new tubing and set at 3110'; F nipple.

Rig down BOP stack, nipple up tree, pump off expendable check. Rig down to move.

Gauge through 2" line: 15 min. - 9 psig, 1865 MCFD (wet); 30 min. - 10 psi, 1948 MCFD (wet); 45 min. - 9 psig; 60 min. - 11 psig, 2039 MCFD (wet). (JB/AR)