## State of New Mexico Minerals and Natural Resources Dept

	ANG NACULAL RESOURCES DEPC.	WELL API NO.:
•	ONSERVATION DIVISION 0. Box 2088	30-045-27341
	em Mexico 87504-2088	5. Indicate Type of Lease
		State: X Fee:
SLENDRY MOTICE	S AND REPORTS ON WELLS	6. State Oil & Gas Lease No.:
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		E-178-1
Type of Well: oil well		7. Lease Name/Unit Agrmnt Name: N.E. Blanco
2. Name of Operator: Blackwood &	Nichols Co., Ltd.	8. Well No.:
Address of Connectors B.O. Boy 173	7, Durango, CO 81302-1237	9. Pool Name or Wildcat:
3. Address of Operator: P.O. Box 123	, suago, co osse ser	Wildcat-Morrison-Entrada
. Well Location		
Unit Letter 💣 :1650 Feet From Ti		ast Line
Section 32 Township	## This are the state of the SAFE # NAME NAME NAME NAME NAME NAME NAME NAME	San Juan County
10.	Elevation (Show wheter DF, RKB, RT, GR, etc) 6370' GL	
11. CHECK APPROPRIATE	TE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR	OTHER DATA
NOTICE OF INTENTION TO:	SUBSEQUENT RE	PORT OF:
Perform Remedial Work	Remedial Work	Altering Casing
Temporarily Abandon	Commence Drilling Opns.	Plug and Abandonment
Pull of Alter Casing	Casing Test and Cement Job	
Plug of Abandon Other:		DECEIAEU
Change Plans		
X Other: Completion		APRI 3 1990
		OII CON DIV
		OIL CON, DIV.
<ol> <li>Describe Proposed or Completed Operation date of starting any proposed work.)</li> </ol>	ons (Clearly state all pertinent details, and giv SEE RULE 1103.	e pertinent ses, sectualing estimated
		••
1-03-90 Move in, rig up.	Nipple up 5000 psi BOP.	TIH with bit no. 1, 6-
1-04-90 Pick up tubing. and DV tool.	Tag DV tool in 7" casing at 7	7342'. Drill 3' cement
1-05-90 Clean out to 884	9', hard cement. Drill ce	ment to 8990'; PBTD -
8990'.		
Circulate hole cl	ean with water.	
1-06-90 Run GR-CCL-CBL lo 6000 psig - held	ogs from WLTD - 8996'. Pres OK for 15 minutes.	sure test 7" casing to
TIH with 3-1/2" t able to perforate	ubing. Swab casing fluid leve underbalanced.	vel down to 3000' to be
hereby certify that the information about	ye is true and complete to the best of my knowl	edge and belief.
Signed: Millian FC	Title: OPERATIONS MANAGER D	nate: 10 April 90
WILLIAM F. CLARK	P	Phone: (303) 247-0728

(This space for State Use)

APPROVED BY Original Signal by PANK T. CHAVES

TITLE \_\_\_\_\_\_\_\_\_

DATE APR 1 4 1990

Form C-103 Revised 1-1-89

CONDITIONS OF APPROVAL, IF ANY:

1-07-90 Run 3-1/8" select fire gun. Perforate Entrada zone with one 0.38" hole at: 8786', 8790', 8794', 8806', 8810', 8814', 8818', 8822', 8826', 8830', 8846', 8859', 8870';, 8879', 8887', and 8899', for a total of 16 holes.

Pick up Baker 7" packer and TIH with 3-1/2" tubing. Set open ended tubing at 8743' and packer at 8705'.

Riq up and swab.

1-08-90 Acid break down of Entrada perforations from 8786' to 8899'. Pump 2 Bbls water then 500 gal. (12 Bbls) 7-1/2% HCl at 3 BPM at 0 psig. Then pumped 86 Bbls of water as flush. Break down formation with 3450 psig at 1 BPM, before acid on perfs - 2000 psig at 2.5 BPM, after acid on perfs - 1000 psig at 3 BPM.

Total load - 98 Bbls of fluid. Job complete at 9:00 a.m., 1-07-90. ISIP - 600 psig. 5 minutes shut in - 500 psig. Rig down Smith.

Flow well back to tank. Rig up and swab 47 Bbls of fluid.

- 1-09-90 Continued swabbing. Made 14 runs and recovered only 8 Bbls of fluid. Final fluid level at 8700' (packer) and last 2 runs were dry. Cumulative volume since acid break-down 101 Bbls which is 3 Bbls over load of 98 Bbls.
- 1-10-90 Swabbing to 8700', recovered 0 Bbls; wait 2 hours for fluid entry. Swab run to 8700', no fluid recovery; wait 2 hours for fluid entry. Swab run to 8700', no fluid recovery. Rig down swabbing equipment.

Rig up to acidize and frac the Entrada formation from 8786' to 8899'. Acidize with 1500 gal. of 7-1/2% HCl and 32 7/8" 1.3 s.p. RCN ball sealers. Pump acid @ 17 BPM, acid on formation, pump rate 8 BPM, increase rate to 9 BPM at end of flush. Moderate ball action. Pressured up to 5500 psig, wait 1 minute, bleed off to 4100, bump up to 5500, bleed off to 580 in 10 minutes. Flow balls off perfs.

Unseat 7" Retreivomatic packer, run 4 stands of 3-1/2" tubing and knock balls off perfs with packer. POOH with tubing and packer. Install WSI tree saver.

Entrada Stimulation:

Treatment summary: pumped a total of 85,848 gal. 40# gel and 29,106 gal. of slickwater and 100,500# of 20/40 mesh sand. Average treatment: 33.3 Bbls @ 2900 psi. ISIP = 1000 psi. 15 minute shut in - 800 psig. Job complete at 1:30 a.m., 1-10-90. Shut in 6 hours for gel to break.

1-11-90 Flowed well back through 1/4" and 1/2".

Picked up 2-7/8" notched collar and seating nipple and TIH.

Found sand at 8846'; Entrada perfs from 8786' to 8899'. Circulated out sand to PBTD at 8996'. Circulated hole clean, 2 hours.

Form C-103 NEBU #502 Page 3

Step rate test of Entrada perforations from 8786' to 8899'
1-12-90 Pumped 363 Bbls fresh water with 1% KCl. ISIP - 950 psig; 5 minutes - 830; 10 minutes - 760; 15 minutes - 760 psig.

Set 7" bridge plug on wireline at 8660'. Pressure tested 7" casing to 2000 psig - held OK. Perforated Bluff formation with a 0.42" hole at: 8514', 8518', 8522', 8526', 8530', 8534', 8538', 8545', 8550', 8554', 8558', 8562', 8568', 8572', 8576', 8580', 8592', 8596', 8600', 8604', 8608', 8612', 8616', 8620', 8627', and 8634' for a total of 26 holes.

Picked up 7" Baker packer and set at 8460'. Swabbed 3-1/2" tubing.

1-13-90 Swabbing the Bluff formation to retrieve a water sample. Made 12 runs and recovered 139 Bbls water.

Acidize Bluff formation perfs from 8514' to 8634'. Break down formation with 2200 psi; establish rate of 20 BPM at 5000 psig, pump 1500 gal. 7-1/2% HCl and 45 1.3 s.g. RCN ball sealers. Acid on formation at 7 BPM @ 2200 psig; good ball action. Pressure up quickly to 6400 psig. Surge balls off perforations. Shut down. ISIP = 5500. Pressure climbed up to 5970 psi. Surge pressure again, pressure stabilized at 5600 psi. Surge balls off, pump acid away @ 1400 psi. and 5 BPM. ISIP = 1400, bled down to 0 in 15 minutes. Rig down Smith Energy.

Release 7" packer at 8479'; pick up 7 stands 3-1/2" tubing and knock balls off perfs. Tag BP at 8660'; circulate 18 balls out. POOH.

Rig up. To frac Bluff formation. Frac'd Bluff perforations from 8514' to 8634'.

Treatment summary: pumped a total of 113,000 gal. of 40# gel, 157,000# 20/40 Brady sand; 35,000 gal. 40# linear gel pad, 13,692 gal. slickwater, 1%. Average treatment psi 2600, rate 58 BPM; ISIP - 1790. 5 minutes - 1750; 10 minutes - 1610. Shut in 4 hours for gel to break. The hydraulics on the blender went out, had to cut job short by 100,000# sand. Job complete at 6:00 a.m., 1-13-90.

- 1-14-90 Flow back after first frac of Bluff. TIH and tag sand at 8520', circulate and clean out 140' of sand. Circulate hole 1 hour.
- 1-15-90 Rigged up Bluff to frac.
  Treatment Summary: 63,589 gals of 40# linear gel, 140,000# 20/40
  Brady sand, 20,000 gals 1% KCl water. Average treatment 59 BPM at
  2850 psig. ISIP 2200 psig, 15 minute shut in 2000. Job
  completed 12:00 noon 1-14-89. Shut well in for 6 hrs for gel to
  break; 1100 psig.

Flowed well back through 1/4" choke. Flowed back 765 bbls of fluid.

1-16-90 TIH and found sand after second Bluff frac at 8540'; circulated hole clean down to bridge plug at 8660'. Rigged up to step rate test the Bluff.

Injected 310 bbls 1% KCl water.

Flowed well back after shut in.

Form C-103 NEBU #502 Page 4

- 1-16-90 Rigged up wireline and set 7" bridge plug at 8500'. Pressure tested plug to 2000 psig held ok. Perforated Lower Morrison zones with 0.42" holes at: 8300, 8304, 8307, 8344, 8348, 8352, 8356, 8360, 8410, 8413, 8417, 8421, 8437, 8440, 8444, 8452, 8456, and 8460' for a total of 16 holes.
- 1-17-90 Acidize and frac the Lower Morrison perforations from 8300' to 8460'. Establish injection rate of 36 Bbls at 4600 psi. Break down pressure at 3200 psi. Acidize with 1500 gal. of 7-1/2% HCl and 30 1.3 s.g. 7/8" RCN ball sealers. Pump acid at 9 BPM. Increase to 19 BPM at end of flush. Fair ball action. Pressure up to 5000 psi. Bleed off slowly. Surge ball sealers off perforations. Bleed off pressure.

Frac, Lower Morrison. Treatment summary: pumped a total of 88,000 gal. of 40# gel and 3100 gal. 1% KCl water as flush. Did not complete flush. 100,000# 20/40 sand. Calculated sand in formation 76,000#. Average treatment: 3300 psi @ 38 BPM. ISIP = N/A. Screened out, 15 minutes @ 2000 psi. Screen off at 5400 psi. Unable to pump schedule, short 13,310 gal. gel and 79,000# 20/40 sand. Job complete at 11:55 a.m. on 1-16-90.

Shut in well for 4 hours. Flowed well back through 1/2" choke. Picked up 3-1/2" notched collar and TIH with tubing. Found sand at 7356'; rigged up and washed down to plug at 8500'.

1-18-90 Circulated hole clean at 8500'. Rigged up for step rate test of Lower Morrison perforations from 8300' to 8460'.

Performed step rate test; note, results will be reported after the bottom hole pressure bomb is read. Pumped a total of 382 bbls of 1% KCl water. ISIP - 2900 psig, 15 minutes -1050 psig.

Flowed well back slowly and recovered 239 bbls. Set bridge plug at 5250° and pressure tested to 2000 psig for 15 minutes - held OK.

Perforated Upper Morrison zones with one 0.42" hole at 8064, 8068, 8072, 8076, 8080, 8084, 8099, 8103, 8107, 8111, 8211, 8215, 8223, 8235, 8256 and 8260' for a total of 16 holes.

Picked up 7" Baker packer and set at 8037'. Rigged up to swab Upper Morrison perforations. Made 12 runs and recovered 110 bbls of fluid; final fluid level at 2500'.

1-19-90 Acidize Upper Morrison perfs from 8064' to 8260' down 3-1/2" tubing. Pressure test lines to 5500 psi.

Acidize the Upper Morrison with 1500 gal. of 7-1/2% HCl and 32 RCN 1.3 s.g. ball sealers. No break-down pressure, establish rate of 20 BPM @ 5400 psig then pump acid and balls at 8 BPM @ 3000 psig. Flush at 10 BPM @ 3600 psig; good ball action. Ball off at 5400 psig.

Bleed pressure off tubing, release packer and pick up 3 stands and TIH. Knock balls off perfs. TOH. Nipple down stripper head and rig up frac head. Frac the Upper Morrison as follows:

Job summary: All water is from Navajo Lake, 1% KCl added. Pumped a total of 17,100 gal. of slickwater, 15,000 gal. 40# linear gel pad, 68,000 gal. 40# linear gel frac fluid, and 6,972 gal. slickwater

Form C-103 NEBU #502 Page 5

1-19-90 flush. 135,300# 20/40 mesh sand. Average treating pressure 3500 (cont) psi @ 38 BPM. Screened formation off leaving 21,000# 20/40 sand in pipe and 5,988 gal. flush. No ISIP. 15 minutes - 3800 psig. Shut well in for 4 hours for gel to break. Job complete 1:42 p.m., 1-18-90.

Flowed well back on 1/4" choke then 1/2" choke at 2000 psig. TIH with 3-1/2" tubing and found sand at 7807'. Wash out sand and gel down to bridge plug at 8290' (483'). Circulate hole clean then short trip tubing. TIH to 8289' and circulate hole.

1-20-90 Step rate test of Upper Morrison perfs from 8064' to 8260'. Pumped a total of 438.5 Bbls of water. Maximum treating psi was 3210. ISIP - 2800 psig; 5 minutes - 2020; 10 minutes -1750; 15 minutes - shut in 1550 psig. Total load 438.5 Bbls.

Flowed well back after step rate test. Picked up mill, and TIH to 8290'. Started milling on first plug at 8290'.

- 1-21-90 Milling on pieces of first bridge plug at 8500' on second bridge plug. Mill up second bridge plug at 8500' and circulate and chase junk down hole to 8700'. Milling on junk and third bridge plug at 8700'.
- 1-22-90 Milled bridge plug at 8700' and chased junk to PBTD at 8998'.

  Pumped step rate test into Morrison, Bluff, and Entrada perforations from 8064'. to 8899'. Pumped 691 Bbls 1% KCl water. Maximum rate 17.7 BPM at 1400 psig. ISIP 1100; 5 minutes 810; 10 minutes 660; 15 minutes, shut in 580 psig. Observed fall off for 4 hours.

Picked up 6-1/8" bit and 7" casing scraper. TIH to 8998' - no fill. Circulating hole.

- 1-23-90 Circulate hole, POOH laying down 3-1/2" tubing, work string. Unload 3-1/2" tubing off trucks. Pick up 7" Otis P.L. Packer and 3-1/2" 9.30# internally plastic coated tubing and trip to 8044'. Clean pit and mix corrosion inhibitor and bactericide chemicals.
- 1-24-90 Set Otis packer on 3-1/2" tubing at 7982'. Rigged up wireline and set tubing plug in X nipple at 7983'. Pressure tested tubing to 2000 psig held OK. Recovered tubing plug and rigged down wireline.

Jayed off packer and circulated above packer with treated water, corrosion inhibitor, bactericide and oxygen scavenger; jayed onto packer. ND BOPs and landed tubing donut. NU wellhead.

Pressure tested 7" x 3-1/2" annulus to 2000 psig for 30 minutes - held OK. This test was witnessed by Mr. L. Cunningham of the OCD.

Ran 261 joints (8044.02') 3-1/2" 9.3# J-55 EUE USS new tubing which has ICO Type SC-650 internal plastic coating; Otis 7" PL packer (5.7') set in 46,000# compression at 7982' with a 2-7/8" wireline guide (0.45') on bottom of the packer. Above the packer is an Otis On/off tool (1.35') and an Otis X nipple, 2.313" ID, set at 7983' then a 2-7/8" x 3-1/2" crossover (0.90'). Note Otis packer has a 60,000# shear release.

Released rig at 5:00 pm on 1-23-90.

## 1-26-90 Step Rate Tests Summary

Entrada - Perforations: 8786' to 8899'

<u>Step</u>	<u>Rate</u>	Tubing	<u>Casing</u>	(Note,	no	BHP)
1	2.0	540	440			
2	2.5	630	520			
3	3.0	730	580			
4	4.0	850	625			
5	5.0	1000	740			
6	6.2	1130	880			
7	8.3	1400	1020			
8	9.4	1540	1100			

Pumped 363 Bbls fresh water with 1% KCl down 3-1/2" tubing set at 8764'. ISIP - 950 psig; 5 minutes - 830; 10 minutes - 760; 15 minutes - 760 psig. Job complete 1-11-90.

Bluff - Perforations: 8514' to 8634'

Step	Rate (BPM)	<u>Tubing</u> Pres.	<u>Casing</u> Pres.	<u>Bottomhole</u> Pressure
1	1	390	260	3945.0
2	2	520	480	4076.5
3	3	760	710	4204.9
4	4	820	820	4318.0
5	5	1000	990	4492.4
6	6	1160	1080	4654.4
7	7	1280	1180	4813.5
8	8	1450	1330	4960.2
9	9	1590	1410	5049.2
10	10	1730	1530	5172.3

Pumped 310 Bbls of 1% KCl water down 3-1/2" x 7" annulus. Tubing set at 8490'. ISIP - 1400 psig; 5 minutes - 1190 10 minutes - 1050. Job complete 1-15-90.

Morrison - Perforations: 8300' to 8460'

Step	Rate (BPM)	Tubing Pres.	Casing Pres.	Bottomhole Pressure
1	0.5	400	320	3961
2	1.0	600	550	4180
3	1.5	900	800	4504
4	2.0	1280	1240	4862
5	3.0	1950	2010	5556
6	4.0	2600	2710	6200
7	5.0	3000	3120	6313
8	6.0	3050	3200	6663
9	7.0	3120	3290	6759
10	8.0	3250		6880

Pumped 382 Bbls of 1% KCl water down 3-1/2" x 7" annulus. Tubing set at 8274'. ISIP - 2900 psig; 5 minutes - 2300; 10minutes - 2050; 15 minutes - 1910 psig. Job complete 1-17-90.

Upper Morrison - Perforations: 8064' to 8260'

Step	Rate (BPM)	Tubing Pres.	Casing Pres.	Bottomhole Pressure
1	1.0	380	380	3858
2	2.0	680	750	4221
3	3.0	1100	1150	4628
4	4.0	1500	1630	5091
5	5.0	1980	2150	5570
6	6.0	2600	2750	5757
7	7.0	2750	2930	6363
8	8.0	2840	3050	6593
9	9.0	3000	3210	6608

Pumped 439 Bbls of 1% KCl water down 3-1/2" x 7" annulus. Tubing set at 8058'. ISIP - 2800 psig; 5 minutes - 2020; 10 minutes - 1750; 15 minutes - 1550 psig. Job complete 1-19-90.

## Morrison, Bluff, and Entrada Zones Perforations from 8064' to 8899' Pressure bomb set at 8900'

Step	Rate (BPM)	Casing (psig)	Bottomhole Pressure
1	2.0	70	3835
2	3.0	130	3900
3	4.0	220	3970
4	5.0	280	4040
5	6.0	350	4115
6	7.0	430	4195
7	8.0	600	4410
8	9.0	760	4518
9	10.0	780	4551
10	11.0	860	4574
11	12.0	950	4635
12	13.0	1040	4724
13	14.0	1140	4818
14	15.0	1210	4925
15	16.0	1310	4991
16	17.7	1400	5174

Pumped 691 Bbls of 1% KCl water down 7" casing. Maximum rate 17.7 BPM @ 1400 psig. ISIP - 1100 psig; 5 minutes -810; 10 minutes - 670; 15 minutes - 580 psig. Job complete 1-21-90.

Observed fall-off for four hours:

Delta	Time	Press	sure
(Hours)		(psig)	
•	000		

0.000 4592.60 0.083 4484.90 0.167 4414.70 0.250 4363.30 0.333 4330.50 0.417 4311.80 0.917 4227.50 1.417 4180.70 1.917 4152.70 2.417 4129.30 2.917 4110.60 3.417 4096.50 3.917 4087.20 4.417 4059.10