

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

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.

3. ADDRESS OF OPERATOR

P. O. Box 1237, Durango, Colorado 81302

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

1075' FNL, 790' FEL

At proposed prod. zone

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

18 miles SE of Ignacio, Colorado

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

790'

16. NO. OF ACRES IN LEASE

2040

17. NO. OF ACRES ASSIGNED
TO THIS WELL

320 acres

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

217'

19. PROPOSED DEPTH

3272'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED

6443'

22. APPROX. DATE WORK WILL START*

August 1, 1989

23. "GENERAL REQUIREMENTS".

PROPOSED CASING AND CEMENTING PROGRAM

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4.

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8"	36#	300'	207 cf/circulate to surface
8-3/4"	7"	23#	2982'	744 cf/circulate to surface
6-1/4"	5-1/2"	17#	2882-3272'	30 cf/circulate to liner top

Propose to spud in the San Jose formation. Will drill a 12-1/4" surface 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/30 minutes. Drill an 8-3/4" hole to a TD of 2982' using fresh water mud. No poisonous gasses or abnormal pressures are anticipated. Run intermediate casing and cement with cement returns to surface. WOC 12 hours. Test to 1500 psi/30 minutes. Drill a 6-1/4" hole to a TD of 3272' using water and air. Run a mud logging unit while drilling this interval. Run the production liner. The liner will be cemented if the well's natural flow capacity indicates the need for fracture stimulation.

Surface ownership is Bureau of Land Management.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present production and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true dip angles. Give blowout preventer program, if any.

24.

SIGNED

William F. Clark
William F. Clark

TITLE

Operations Manager

DATE

July 14, 1989

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

0150

MMOCD

*See Instructions On Reverse Side

RECEIVED
OCT 04 1989

DIST. 3

APPROVED
AS AMENDED

OCT 02 1989

AREA MANAGER

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

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

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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

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. 428
Unit Letter A	Section 24	Township 31 North	Range 7 West	County NMPM	San Juan
Actual Footage Location of Well: 1075 feet from the North line and 790 feet from the East line					
Ground level Elev. 6443 "	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal	Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.

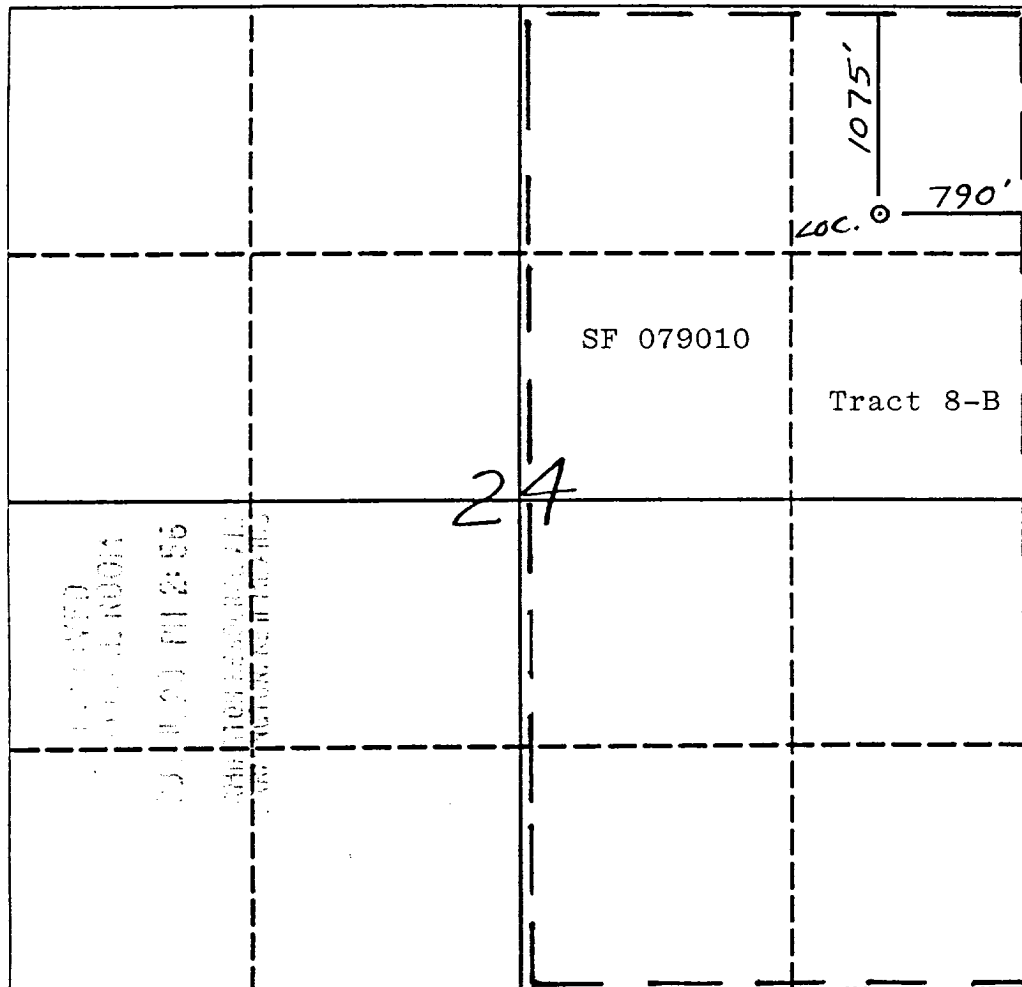
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

☐ Yes ☐ No If answer is "yes" type of consolidation NA

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 in 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

July 18, 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. 7-5486-EDWARDS

Date Surveyed

Neale C. Edwards

Signature & Seal of
Professional Surveyor

Neale C. Edwards

Certificate No.

6857