

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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 and Nichols Co., Ltd.

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
1330' FSL, 1000' FWL
At proposed prod. zone
Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
22 miles NE of Blanco, New Mexico

15. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any) 1000'

16. NO. OF ACRES IN LEASE
2560.00

17. NO. OF ACRES ASSIGNED
TO THIS WELL
320

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. 3850'

19. PROPOSED DEPTH
3380'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
6456 (U.G.)

22. APPROX. DATE WORK WILL START*
April 1, 1990

5. LEASE DESIGNATION AND SERIAL NO.
SF078988

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
Northeast Blanco

8. FARM OR LEASE NAME
Northeast Blanco Unit

9. WELL NO.
496

10. FIELD AND POOL, OR WILDCAT
Basin Fruitland Coal

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA
Sec. 18, T31N, R6W

12. COUNTY OR PARISH
San Juan

13. STATE
NM

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8"	36#	300'	295 cuft/circulate to surface
8 3/4"	7"	23#	3070	940 cuft/circulate to surface
6 1/4"	5 1/2"	17#	2970'-3380'	39 cuft/circulate to liner top

Propose to spud in the San Jose formation. Will drill a 12 1/4" hole to a TD of 300'. Run surface casing and cement with cement returns to surface. WOC 12 hours. Test to 600 psi/30 mins. Drill a 8 3/4" hole to a TD of 3070' using fresh water mud. No poisonous gases or abnormal pressures are anticipated. Run intermediate casing and cement with cement returns to surface. WOC 12 hours. Test to 1500 psi/30 mins. Drill a 6 1/4" hole to a TD of 3380' using water and air. Run a mud logging unit while drilling this interval. Run the production liner. The liner will be cemented if the wells natural flow capacity indicates. the need for fracture stimulation.

Surface is Bureau of Land Management

RECEIVED

APR 02 1990

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 logs and measured and true vertical depths. Give blowout preventer program, if any.

OIL CON. DIV.

DIST. 3

SIGNED

William F. Clark

TITLE

Operations Manager

DATE

15 Feb '90

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

MAR 29 1990

AREA MANAGER

**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.

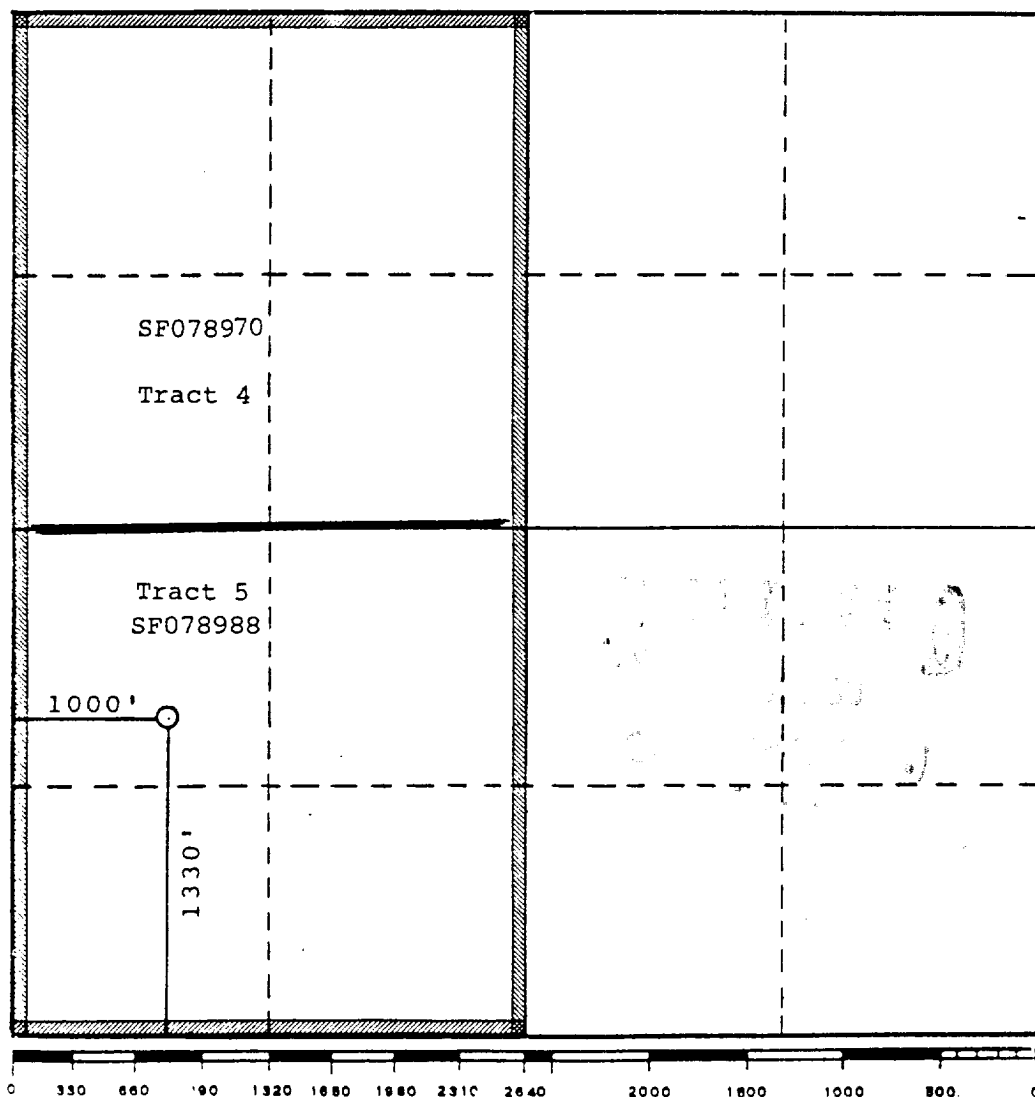
Operator BLACKWOOD & NICHOLS CO., LTD.			Lease NORTHEAST BLANCO UNIT		Well No. 496
Unit Letter L	Section 18	Township 31 North	Range 6 West	County San Juan County	
Actual Footage Location of Well: 1330 feet from the south line and 1000 feet from the west line					
Ground Level Elev: 6456 (U.G.)	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal	Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or 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.

Date
December 7, 1989

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
November 15, 1989

Registered Professional Engineer and/or Land Surveyor
Allison L. Kröeger
Allison L. Kröeger, PLS

Certificate No.
7922

100

27

R 7 W

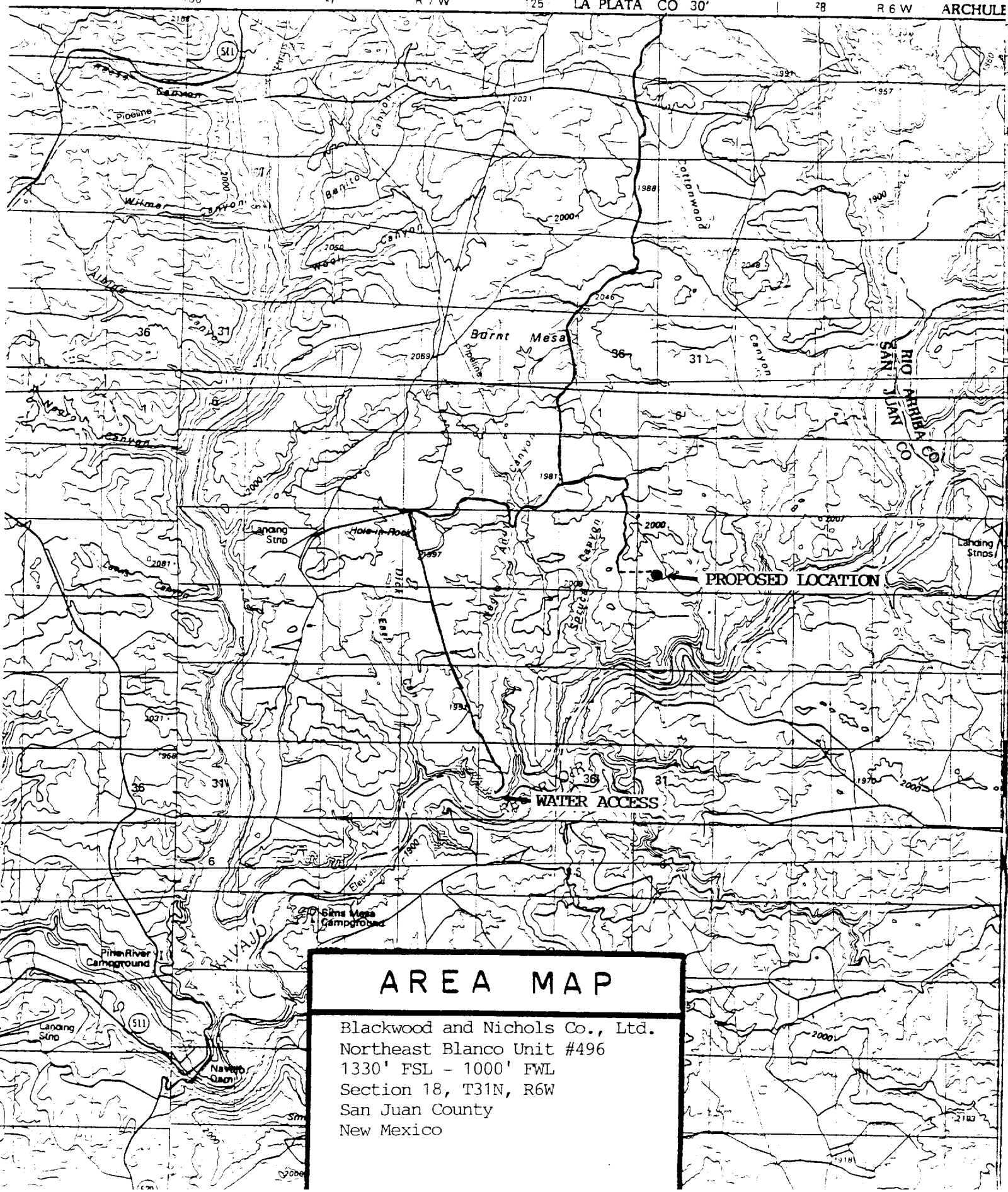
125

LA PLATA CO 30'

28

R 6 W

ARCHULE



AREA MAP

Blackwood and Nichols Co., Ltd.
 Northeast Blanco Unit #496
 1330' FSL - 1000' FWL
 Section 18, T31N, R6W
 San Juan County
 New Mexico