



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
ALBUQUERQUE DISTRICT OFFICE
435 MONTANO N.E.
ALBUQUERQUE, NEW MEXICO 87107



Northeast Blanco (POD)
3180 (015)

MAR 17 1989



Blackwood & Nichols Company
ATTN: Mr. William F. Clark
P.O. Box 1237
Durango, CO 81302

Gentlemen:

An approved copy of your 1989 Plan of Development for the Northeast Blanco Unit Area, San Juan and Rio Arriba Counties, New Mexico is enclosed. Such plan, proposing to carry over fifteen Fruitland coal wells from the 1988 Plan of Development, drill thirty-three additional Fruitland coal wells and two Morrison-Entrada wells for possible water disposal, was approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

If you have any questions, please contact Robert Kent at the above address or telephone (505) 761-4503.

Sincerely,

/s/ Gary A. Stephens

Assistant District Manager
Mineral Resources

Enclosure

✓ NMOCD, Santa Fe

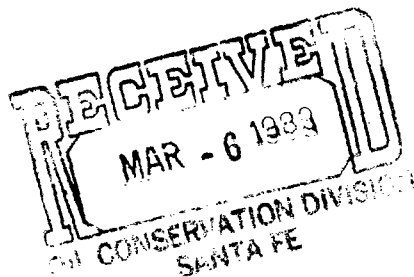
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BLACKWOOD & NICHOLS CO., LTD.

P.O. BOX 1237
DURANGO, COLORADO 81302-1237

(303) 247-0728

February 28, 1989



United States Department of the Interior
Bureau of Land Management
435 Montano Road, N.E.
Albuquerque, New Mexico 87107

Commissioner of Public Lands
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87501

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Northeast Blanco Unit
Agreement No. 1, Section 929
San Juan and Rio Arriba Counties,
New Mexico

Gentlemen:

Blackwood & Nichols Co., Ltd., as Unit Operator, on behalf of itself and all owners of oil and gas leases within the Northeast Blanco Unit, hereby submits a Plan of Development for the calendar year 1989.

Summary of Operations - 1988

Blackwood & Nichols' initial Plan of Development did not project any wells to be drilled during 1988. However, you were advised by a supplement and two amendments of twenty-nine (29) proposed Fruitland Coal development wells and one (1) proposed Entrada wildcat well. Fourteen (14) Fruitland Coal wells which are capable of hydrocarbon production were drilled and one (1) Entrada well which was not capable of hydrocarbon production was drilled and will be used for water disposal.

On December 31, 1988, the status of Fruitland Coal wells was: eleven (11) wells drilled and completed, three (3) wells drilled and waiting to be completed, and fifteen (15) proposed wells were waiting for owner approval. Attached is Exhibit A which lists all these wells.

Also during 1988, the Northeast Blanco Unit Well No. 211 was recompleted; the non-commercial Pictured Cliffs completion from 1985 was abandoned by squeeze cementing and the Basin Fruitland Coal zones were completed in May, 1988. This well was first delivered during December, 1988.

February 28, 1989

Finally, the Northeast Blanco Unit No. 304 Pictured Cliffs-Dakota dual well was first delivered on December 8, 1988. This well was drilled and completed in October, 1987, in response to a Bureau of Land Management request for drainage protection. For over one year Blackwood & Nichols has worked diligently to secure pipeline connection for this well.

Drilled and completed in 1988, the No. 501 well was an Entrada wildcat. No hydrocarbon shows were realized so this well was completed in the Morrison and Entrada formations. The New Mexico Oil Conservation Division approved this well for water disposal from Unit Fruitland Coal wells.

Participating Area Review

All Northeast Blanco Unit lands are included in the Mesaverde Participating Area.

Three wells make up the Fruitland Sands-Pictured Cliffs Participating Area: Nos. 202, 204, and 217, each with approximately 160 acres dedicated.

During 1989, Blackwood & Nichols will be proposing the following: 1) second expansion of the Fruitland Sands-Pictured Cliffs Participating Area; 2) an initial participating area for the Basin Dakota to include wells No. 302 and 303; and 3) an initial participating area for the Basin Fruitland Coal.

Unit Well Status Summary

Exhibit B is a list of all Northeast Blanco Unit wells drilled and each well's current status. Following is a summary by formation:

Mesaverde

135 - Total Wells Drilled
 7 - Plugged & Abandoned
128 - Producing Wells

Dakota

8 - Producing Wells

Gallup

2 - Producing Wells

February 28, 1989

Fruitland Sands-Pictured Cliffs

- 13 - Total Wells Drilled
- 1 - Plugged & Recompleted (#211)
- 1 - Waiting on Connection (#216)
- 11 - Producing Wells

Basin Fruitland Coal

- 2 - Wells Drilled Prior to 1988 (#211, #218)
- 1 - Well Recompleted (#211)
- 14 - Wells Drilled in 1988
- 17 - Total Wells Drilled
- 14 - Waiting on Connection
- 3 - Producing Wells

Morrison-Entrada

- 1 - Injection Well Drilled

Unit Production

Exhibit C is a graph of monthly gas production for the Northeast Blanco Unit. Significant decreases in the production rates during 1986, 1987, and 1988 are due to poor market demand and contractual problems.

1989 Development Plan

Blackwood & Nichols proposes to drill the following wells in the Northeast Blanco Unit during 1989: First we anticipate drilling the fifteen (15) Fruitland coal wells proposed in 1988 that are pending approval; these wells are listed in Exhibit A, I-C. Second, we plan to drill thirty-three (33) additional Fruitland coal wells which are listed on Exhibit D. Finally, we plan to drill two (2) Morrison-Entrada test wells which we anticipate will be used for water disposal; they are also listed on Exhibit D.

Blackwood & Nichols has evaluated the potential of Unit lands being drained by offsetting activity and has concluded: 1) for all formations except the Fruitland coal there is no drainage threat; and 2) for the Fruitland coal formation, the wells proposed above will more than adequately protect the Unit.

No enhanced recovery projects are in progress or anticipated at this time within the Northeast Blanco Unit.

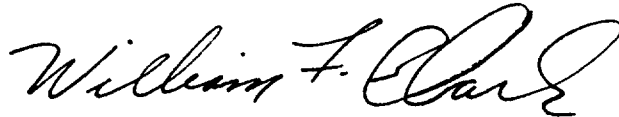
1989 Plan of Development
p. 4

February 28, 1989

Please approve this Plan of Development as soon as possible because several wells' APDs are in progress. If you have any questions, please advise.

Sincerely,

BLACKWOOD & NICHOLS CO., LTD.

A handwritten signature in cursive script, reading "William F. Clark".

William F. Clark
Operations Manager

Enclosures

- Exhibit A - 1988 Summary
- Exhibit B - Well Status
- Exhibit C - Production
- Exhibit D - 1989 Plans
- Unit Map with Participating Areas

Approved: _____ Date: _____

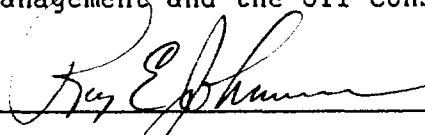
United States Department of the Interior
Bureau of Land Management
435 Montano Road, N.E.
Albuquerque, New Mexico 87107

Subject to like approval by the Commissioner of Public
Lands and Oil Conservation Division.

Approved: _____ Date: _____

Commissioner of Public Lands
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87501

Subject to like approval by the Bureau of Land
Management and the Oil Conservation Division.

Approved:  _____ Date: 3-7-89

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
State Land Office Building
Santa Fe, New Mexico 87501

Subject to like approval by the Bureau of Land
Management and the Commissioner of Public Lands.

The above approvals are for the Northeast Blanco Unit Agreement
No. 1, Section 929, San Juan and Rio Arriba Counties, New Mexico,
1989 Plan of Development.

EXHIBIT A

NORTHEAST BLANCO UNIT
WELL DRILLING SUMMARY - 1988

I. Fruitland Coal Formation

A. Wells Drilled & Completed

| | Name | Location | County |
|----|---------|----------------------|-------------------------------|
| 1 | No. 400 | M Sec. 18, T30N, R8W | San Juan County, New Mexico |
| 2 | No. 401 | L Sec. 9, T30N, R7W | Rio Arriba County, New Mexico |
| 3 | No. 402 | A Sec. 5, T30N, R7W | San Juan County, New Mexico |
| 4 | No. 403 | H Sec. 9, T30N, R7W | Rio Arriba County, New Mexico |
| 5 | No. 404 | E Sec. 34, T31N, R7W | San Juan County, New Mexico |
| 6 | No. 406 | G Sec. 22, T31N, R7W | San Juan County, New Mexico |
| 7 | No. 407 | A Sec. 21, T30N, R7W | Rio Arriba County, New Mexico |
| 8 | No. 413 | B Sec. 20, T30N, R7W | Rio Arriba County, New Mexico |
| 9 | No. 427 | W Sec. 16, T30N, R7W | Rio Arriba County, New Mexico |
| 10 | No. 441 | G Sec. 24, T30N, R8W | Rio Arriba County, New Mexico |
| 11 | No. 425 | K Sec. 8, T30N, R7W | Rio Arriba County, New Mexico |

B. Wells Drilled - Waiting For Completion

| | | | |
|----|---------|----------------------|-------------------------------|
| 12 | No. 421 | P Sec. 4, T30N, R7W | Rio Arriba County, New Mexico |
| 13 | No. 429 | B Sec. 17, T30N, R7W | Rio Arriba County, New Mexico |
| 14 | No. 423 | A Sec. 8, T30N, R7W | Rio Arriba County, New Mexico |

C. Wells Proposed - Not Drilled

| | | | |
|----|---------|----------------------|-------------------------------|
| 1 | No. 405 | M Sec. 21, T30N, R7W | Rio Arriba County, New Mexico |
| 2 | No. 408 | A Sec. 20, T31N, R7W | San Juan County, New Mexico |
| 3 | No. 409 | N Sec. 10, T30N, R7W | Rio Arriba County, New Mexico |
| 4 | No. 411 | G Sec. 10, T30N, R7W | Rio Arriba County, New Mexico |
| 5 | No. 415 | G Sec. 2, T30N, R7W | Rio Arriba County, New Mexico |
| 6 | No. 417 | M Sec. 2, T30N, R7W | Rio Arriba County, New Mexico |
| 7 | No. 419 | M Sec. 3, T30N, R7W | Rio Arriba County, New Mexico |
| 8 | No. 431 | O Sec. 17, T30N, R7W | Rio Arriba County, New Mexico |
| 9 | No. 433 | M Sec. 19, T30N, R7W | Rio Arriba County, New Mexico |
| 10 | No. 435 | M Sec. 1, T30N, R8W | San Juan County, New Mexico |
| 11 | No. 437 | N Sec. 12, T30N, R8W | San Juan County, New Mexico |
| 12 | No. 439 | M Sec. 13, T30N, R8W | San Juan County, New Mexico |
| 13 | No. 443 | N Sec. 24, T30N, R8W | San Juan County, New Mexico |
| 14 | No. 445 | M Sec. 25, T31N, R8W | San Juan County, New Mexico |
| 15 | No. 449 | N Sec. 19, T31N, R7W | San Juan County, New Mexico |

EXHIBIT B
NORTHEAST BLANCO UNIT
WELL STATUS SUMMARY

| | Name | Location | County | Lease No. | Status |
|-------------------------------|----------|-------------|--------------|-------------|--------|
| I. MESAVERDE FORMATION | | | | | |
| 1 | NEBU 2 | N-20-31N-7W | SJ Co., N.M. | SF 079045 | Prod. |
| 2 | NEBU 3X | L-05-30N-7W | SJ Co., N.M. | SF 079042 | P & A |
| 3 | NEBU 3A | E-05-30N-7W | SJ Co., N.M. | SF 079042 | Prod. |
| 4 | NEBU 3R | K-05-30N-7W | SJ Co., N.M. | SF 079042 | Prod. |
| 5 | NEBU 4 | M-21-30N-7W | RA Co., N.M. | SF 078970 | Prod. |
| 6 | NEBU 4A | D-21-30N-7W | RA Co., N.M. | SF 079060 | Prod. |
| 7 | NEBU 5X | M-13-30N-8W | SJ Co., N.M. | SF 079511 | P & A |
| 8 | NEBU 5R | N-13-30N-8W | SJ Co., N.M. | SF 079511 | Prod. |
| 9 | NEBU 5A | E-13-30N-8W | SJ Co., N.M. | SF 079511 | Prod. |
| 10 | NEBU 6 | H-29-30N-7W | RA Co., N.M. | SF 079060 | Prod. |
| 11 | NEBU 6A | F-29-30N-7W | RA Co., N.M. | SF 079060 | Prod. |
| 12 | NEBU 7 | A-21-30N-7W | RA Co., N.M. | SF 079060 | P & A |
| 13 | NEBU 7A | I-21-30N-7W | RA Co., N.M. | SF 079060 | Prod. |
| 14 | NEBU 7R | B-21-30N-7W | RA Co., N.M. | SF 079060 | Prod. |
| 15 | NEBU 8 | K-10-30N-7W | RA Co., N.M. | SF 079001 | Prod. |
| 16 | NEBU 8A | D-10-30N-7W | RA Co., N.M. | SF 079001 | Prod. |
| 17 | NEBU 9 | N-12-30N-8W | SJ Co., N.M. | SF 078581 A | Prod. |
| 18 | NEBU 9A | C-12-30N-8W | SJ Co., N.M. | SF 078581 A | Prod. |
| 19 | NEBU 10 | M-16-30N-7W | RA Co., N.M. | E 178-1 | Prod. |
| 20 | NEBU 10A | D-16-30N-7W | RA Co., N.M. | E 178-1 | Prod. |
| 21 | NEBU 11 | H-25-31N-7W | RA Co., N.M. | SF 079010 | Prod. |
| 22 | NEBU 12 | G-18-30N-7W | SJ Co., N.M. | SF 079082 | Prod. |
| 23 | NEBU 13 | K-20-30N-7W | RA Co., N.M. | SF 079060 | Prod. |
| 24 | NEBU 13A | C-20-30N-7W | RA Co., N.M. | SF 079060 | Prod. |
| 25 | NEBU 14 | G-02-30N-7W | RA Co., N.M. | E 289-3 | Prod. |
| 26 | NEBU 14A | I-02-30N-7W | RA Co., N.M. | E 289-23 | Prod. |
| 27 | NEBU 15 | L-02-30N-7W | RA Co., N.M. | E 289-23 | Prod. |
| 28 | NEBU 15A | D-02-30N-7W | RA Co., N.M. | E 289-9 | Prod. |
| 29 | NEBU 16 | A-03-30N-7W | RA Co., N.M. | SF 079001 | Prod. |
| 30 | NEBU 16A | J-03-30N-7W | RA Co., N.M. | SF 079001 | Prod. |
| 31 | NEBU 17 | L-09-30N-7W | RA Co., N.M. | SF 079043 | Prod. |
| 32 | NEBU 17A | E-09-30N-7W | RA Co., N.M. | SF 079043 | Prod. |
| 33 | NEBU 18 | H-09-30N-7W | RA Co., N.M. | SF 079043 | Prod. |
| 34 | NEBU 18A | O-09-30N-7W | RA Co., N.M. | SF 079060 | Prod. |
| 35 | NEBU 19 | B-20-30N-7W | RA Co., N.M. | SF 079060 | Prod. |
| 36 | NEBU 19A | P-20-30N-7W | RA Co., N.M. | SF 079060 | Prod. |
| 37 | NEBU 20 | B-28-31N-7W | SJ Co., N.M. | SF 079043 | P & A |
| 38 | NEBU 20A | O-28-31N-7W | SJ Co., N.M. | SF 079043 | Prod. |
| 39 | NEBU 21 | N-36-31N-7W | RA Co., N.M. | E 505-6 | P & A |
| 40 | NEBU 22 | G-36-31N-7W | RA Co., N.M. | E 505-6 | P & A |
| 41 | NEBU 22A | O-36-31N-7W | RA Co., N.M. | E 505-6 | Prod. |
| 42 | NEBU 23 | N-06-30N-7W | SJ Co., N.M. | SF 079042 | Prod. |

EXHIBIT B
NORTHEAST BLANCO UNIT
WELL STATUS SUMMARY

| | Name | Location | County | Lease No. | Status |
|----|----------|-------------|--------------|-------------|--------|
| 43 | NEBU 23A | F-06-30N-7W | SJ Co., N.M. | SF 079042 | Prod. |
| 44 | NEBU 24 | O-17-30N-7W | RA Co., N.M. | SF 079060 | P & A |
| 45 | NEBU 24A | I-17-30N-7W | RA Co., N.M. | SF 079060 | Prod. |
| 46 | NEBU 24R | O-17-30N-7W | RA Co., N.M. | NM 013706 A | Prod. |
| 47 | NEBU 25 | B-17-30N-7W | RA Co., N.M. | SF 079060 | Prod. |
| 48 | NEBU 26 | N-08-30N-7W | RA Co., N.M. | Fee | Prod. |
| 49 | NEBU 26A | D-08-30N-7W | SJ Co., N.M. | SF 079042 | Prod. |
| 50 | NEBU 27 | A-08-30N-7W | RA Co., N.M. | SF 079042 | Prod. |
| 51 | NEBU 27A | P-08-30N-7W | RA Co., N.M. | SF 079042 | Prod. |
| 52 | NEBU 28 | O-34-31N-7W | RA Co., N.M. | SF 079003 | Prod. |
| 53 | NEBU 29 | A-13-30N-8W | SJ Co., N.M. | Fee | Prod. |
| 54 | NEBU 30 | A-12-30N-8W | SJ Co., N.M. | SF 078581 | Prod. |
| 55 | NEBU 30A | I-12-30N-8W | SJ Co., N.M. | SF 078581 | Prod. |
| 56 | NEBU 31 | N-07-30N-7W | SJ Co., N.M. | SF 079042 | Prod. |
| 57 | NEBU 31A | E-07-30N-7W | SJ Co., N.M. | SF 079042 | Prod. |
| 58 | NEBU 32 | A-07-30N-7W | SJ Co., N.M. | SF 079042 | Prod. |
| 59 | NEBU 32A | I-07-30N-7W | SJ Co., N.M. | Fee | Prod. |
| 60 | NEBU 33 | N-12-31N-7W | SJ Co., N.M. | NM 03358 | Prod. |
| 61 | NEBU 34 | N-19-30N-7W | RA Co., N.M. | SF 079053 | Prod. |
| 62 | NEBU 34A | K-18-30N-7W | SJ Co., N.M. | SF 079053 | Prod. |
| 63 | NEBU 35 | J-19-30N-7W | RA Co., N.M. | SF 079060 | Prod. |
| 64 | NEBU 36 | A-01-30N-8W | SJ Co., N.M. | SF 078581 | Prod. |
| 65 | NEBU 36A | O-01-30N-8W | SJ Co., N.M. | SF 078581 | Prod. |
| 66 | NEBU 37 | B-06-30N-7W | SJ Co., N.M. | SF 079042 | Prod. |
| 67 | NEBU 37A | P-06-30N-7W | SJ Co., N.M. | Fee | Prod. |
| 68 | NEBU 38 | B-31-31N-7W | SJ Co., N.M. | SF 079043 | Prod. |
| 69 | NEBU 39 | K-36-31N-8W | SJ Co., N.M. | E 3150-1 | Prod. |
| 70 | NEBU 39A | D-36-31N-8W | SJ Co., N.M. | E 5382 | Prod. |
| 71 | NEBU 40 | G-36-31N-8W | SJ Co., N.M. | E 3150-1 | Prod. |
| 72 | NEBU 40A | P-36-31N-8W | SJ Co., N.M. | E 292-9 | Prod. |
| 73 | NEBU 41 | B-25-31N-8W | SJ Co., N.M. | SF 079082 | Prod. |
| 74 | NEBU 42 | N-19-31N-7W | SJ Co., N.M. | SF 080557 | Prod. |
| 75 | NEBU 43 | M-11-31N-7W | SJ Co., N.M. | NM 03358 | Prod. |
| 76 | NEBU 43A | C-11-31N-7W | SJ Co., N.M. | NM 03358 | Prod. |
| 77 | NEBU 44 | B-04-30N-7W | SJ Co., N.M. | SF 079043 | Prod. |
| 78 | NEBU 44A | P-04-30N-7W | RA Co., N.M. | SF 079043 | Prod. |
| 79 | NEBU 45 | A-05-30N-7W | SJ Co., N.M. | SF 079042 | Prod. |
| 80 | NEBU 45A | I-05-30N-7W | SJ Co., N.M. | SF 079042 | Prod. |
| 81 | NEBU 46 | N-33-31N-7W | SJ Co., N.M. | SF 079043 | Prod. |
| 82 | NEBU 46A | D-33-31N-7W | SJ Co., N.M. | SF 079043 | Prod. |
| 83 | NEBU 47 | K-32-31N-7W | SJ Co., N.M. | E 292-9 | Prod. |
| 84 | NEBU 47A | F-32-31N-7W | SJ Co., N.M. | E 292-9 | Prod. |
| 85 | NEBU 48 | H-32-31N-7W | SJ Co., N.M. | E 178-1 | Prod. |
| 86 | NEBU 48A | O-32-31N-7W | SJ Co., N.M. | E 178-1 | Prod. |

EXHIBIT B
NORTHEAST BLANCO UNIT
WELL STATUS SUMMARY

| | Name | Location | County | Lease No. | Status |
|-----|-----------|-------------|--------------|-------------|--------|
| 87 | NEBU 49 | H-30-31N-7W | SJ Co., N.M. | SF 079045 | Prod. |
| 88 | NEBU 50 | M-25-31N-8W | SJ Co., N.M. | SF 079082 | Prod. |
| 89 | NEBU 51 | N-29-31N-7W | SJ Co., N.M. | SF 079045 | Prod. |
| 90 | NEBU 51A | C-29-31N-7W | SJ Co., N.M. | SF 079045 | Prod. |
| 91 | NEBU 52 | G-15-31N-7W | SJ Co., N.M. | NM 03356 | Prod. |
| 92 | NEBU 53 | M-28-31N-7W | SJ Co., N.M. | SF 079043 | Prod. |
| 93 | NEBU 53A | D-28-31N-7W | SJ Co., N.M. | SF 079043 | Prod. |
| 94 | NEBU 54 | H-33-31N-7W | SJ Co., N.M. | SF 079043 | Prod. |
| 95 | NEBU 54A | O-33-31N-7W | SJ Co., N.M. | SF 079043 | Prod. |
| 96 | NEBU 55 | B-22-31N-7W | SJ Co., N.M. | SF 079003 | Prod. |
| 97 | NEBU 55A | J-22-31N-7W | SJ Co., N.M. | SF 079003 | Prod. |
| 98 | NEBU 56 | A-34-31N-7W | SJ Co., N.M. | SF 079003 | Prod. |
| 99 | NEBU 56A | E-34-31N-7W | SJ Co., N.M. | SF 079003 | Prod. |
| 100 | NEBU 57 | B-21-31N-7W | SJ Co., N.M. | SF 079045 | Prod. |
| 101 | NEBU 58 | A-13-31N-7W | SJ Co., N.M. | NM 03358 | Prod. |
| 102 | NEBU 59 | A-24-31N-7W | SJ Co., N.M. | SF 079010 A | Prod. |
| 103 | NEBU 60 | A-07-31N-6W | SJ Co., N.M. | SF 078988 | Prod. |
| 104 | NEBU 61 | G-19-31N-6W | SJ Co., N.M. | SF 078988 | Prod. |
| 105 | NEBU 62 | L-30-31N-6W | RA Co., N.M. | NM 03357 | Prod. |
| 106 | NEBU 63 | M-01-31N-7W | SJ Co., N.M. | Fee | Prod. |
| 107 | NEBU 64 | M-10-31N-7W | SJ Co., N.M. | NM 03358 | Prod. |
| 108 | NEBU 64A | P-10-31N-7W | SJ Co., N.M. | NM 03358 | Prod. |
| 109 | NEBU 65 | B-11-31N-7W | SJ Co., N.M. | NM 03358 | Prod. |
| 110 | NEBU 66 | F-30-31N-7W | SJ Co., N.M. | SF 079082 | Prod. |
| 111 | NEBU 66A | E-31-31N-7W | SJ Co., N.M. | SF 079082 | Prod. |
| 112 | NEBU 67 | M-09-31N-7W | SJ Co., N.M. | Fee | Prod. |
| 113 | NEBU 67A | O-09-31N-7W | SJ Co., N.M. | Fee | Prod. |
| 114 | NEBU 68 | A-35-31N-7W | SJ Co., N.M. | SF 079003 | Prod. |
| 115 | NEBU 69 | A-26-31N-7W | SJ Co., N.M. | SF 079010 A | Prod. |
| 116 | NEBU 70 | A-27-31N-7W | SJ Co., N.M. | SF 079003 | Prod. |
| 117 | NEBU 70A | O-27-31N-7W | SJ Co., N.M. | SF 079003 | Prod. |
| 118 | NEBU 71 | A-23-31N-7W | SJ Co., N.M. | SF 079010 A | Prod. |
| 119 | NEBU 72 | H-29-31N-7W | SJ Co., N.M. | SF 079045 | Prod. |
| 120 | NEBU 72A | O-29-31N-7W | SJ Co., N.M. | SF 079045 | Prod. |
| 121 | NEBU 73 | L-35-31N-7W | SJ Co., N.M. | SF 079003 | Prod. |
| 122 | NEBU 74 | M-26-31N-7W | SJ Co., N.M. | SF 079010 A | Prod. |
| 123 | NEBU 75 | K-22-31N-7W | SJ Co., N.M. | SF 079003 | Prod. |
| 124 | NEBU 77 | M-15-31N-7W | SJ Co., N.M. | NM 03356 | Prod. |
| 125 | NEBU 78 | M-21-31N-7W | SJ Co., N.M. | SF 079045 | Prod. |
| 126 | NEBU 101 | B-10-30N-7W | RA Co., N.M. | SF 079001 A | Prod. |
| 127 | NEBU 101A | J-10-30N-7W | RA Co., N.M. | SF 079001 A | Prod. |
| 128 | NEBU 102 | M-03-30N-7W | RA Co., N.M. | SF 079001 A | Prod. |
| 129 | NEBU 102A | F-03-30N-7W | RA Co., N.M. | SF 079001 A | Prod. |
| 130 | NEBU 103 | N-24-30N-8W | SJ Co., N.M. | SF 078615 | Prod. |

EXHIBIT B
NORTHEAST BLANCO UNIT
WELL STATUS SUMMARY

| | Name | Location | County | Lease No. | Status |
|-----|-----------|-------------|--------------|-------------|--------|
| 131 | NEBU 103A | E-24-30N-8W | SJ Co., N.M. | SF 078615 | Prod. |
| 132 | NEBU 104 | M-01-30N-8W | SJ Co., N.M. | SF 078581 A | Prod. |
| 133 | NEBU 104A | D-01-30N-8W | SJ Co., N.M. | SF 078581 A | Prod. |
| 134 | NEBU 105 | G-24-30N-8W | SJ Co., N.M. | SF 078615 A | Prod. |
| 135 | NEBU 105A | P-24-30N-8W | SJ Co., N.M. | SF 078615 A | Prod. |

II. DAKOTA FORMATION

| | | | | | |
|---|-----------|-------------|--------------|-----------|-------|
| 1 | NEBU 1 | H-27-31N-7W | SJ Co., N.M. | SF 079003 | Prod. |
| 2 | NEBU 55D | B-22-31N-7W | SJ Co., N.M. | SF 079003 | Prod. |
| 3 | NEBU 56D | A-34-31N-7W | SJ Co., N.M. | SF 079003 | Prod. |
| 4 | NEBU 57D | B-21-31N-7W | SJ Co., N.M. | SF 079045 | Prod. |
| 5 | NEBU 58D | A-13-31N-7W | SJ Co., N.M. | NM 03358 | Prod. |
| 6 | NEBU 302D | I-30-31N-6W | RA Co., N.M. | NM 003357 | Prod. |
| 7 | NEBU 303D | P-20-31N-6W | RA Co., N.M. | SF 078988 | Prod. |
| 8 | NEBU 304D | M-30-31N-6W | RA Co., N.M. | NM 003357 | Prod. |

III. GALLUP FORMATION

| | | | | | |
|---|-----------|-------------|--------------|-----------|-------|
| 1 | NEBU 302G | I-30-31N-6W | RA Co., N.M. | NM 003357 | Prod. |
| 2 | NEBU 303G | P-20-31N-6W | RA Co., N.M. | SF 078988 | Prod. |

EXHIBIT B
NORTHEAST BLANCO UNIT
WELL STATUS SUMMARY

| | Name | Location | County | Lease No. | Status |
|---|----------|-------------|--------------|-------------|--------|
| IV. FRUITLAND SANDS-PICTURED CLIFFS FORMATION | | | | | |
| 1 | NEBU 201 | M-09-31N-7W | SJ Co., N.M. | Fee | Prod. |
| 2 | NEBU 202 | B-11-31N-7W | SJ Co., N.M. | NM 03358 | Prod. |
| 3 | NEBU 203 | C-11-31N-7W | SJ Co., N.M. | NM 03358 | Prod. |
| 4 | NEBU 204 | M-01-31N-7W | SJ Co., N.M. | Fee | Prod. |
| 5 | NEBU 205 | P-10-31N-7W | SJ Co., N.M. | NM 03358 | Prod. |
| 6 | NEBU 206 | M-10-31N-7W | SJ Co., N.M. | NM 03358 | P & A |
| 7 | NEBU 208 | N-12-31N-7W | SJ Co., N.M. | NM 03358 | Prod. |
| 8 | NEBU 211 | C-27-31N-7W | SJ Co., N.M. | SF 079003 | P & A |
| 9 | NEBU 213 | D-12-31N-7W | SJ Co., N.M. | Fee | Prod. |
| 10 | NEBU 214 | I-22-31N-7W | SJ Co., N.M. | SF 079003 | Prod. |
| 11 | NEBU 215 | D-26-31N-7W | SJ Co., N.M. | SF 079010 | Prod. |
| 12 | NEBU 216 | I-27-31N-7W | SJ Co., N.M. | SF 079003 | WOC |
| 13 | NEBU 217 | G-27-31N-7W | SJ Co., N.M. | SF 079003 | Prod. |
| V. BASIN FRUITLAND COAL | | | | | |
| 1 | NEBU 211 | C-27-31N-7W | SJ Co., N.M. | SF 079003 | Prod. |
| 2 | NEBU 212 | O-01-31N-72 | SJ Co., N.M. | NM 03358 | Prod. |
| 3 | NEBU 218 | D-16-31N-7W | SJ Co., N.M. | E 178-1 | Prod. |
| 4 | NEBU 400 | M-07-31N-6W | SJ Co., N.M. | SF 078988 | WOC |
| 5 | NEBU 401 | L-09-30N-7W | RA Co., N.M. | SF 079043 | WOC |
| 6 | NEBU 402 | A-05-30N-7W | SJ Co., N.M. | SF 079042 | WOC |
| 7 | NEBU 403 | H-09-30N-7W | RA Co., N.M. | SF 079043 | WOC |
| 8 | NEBU 404 | E-34-31N-7W | SJ Co., N.M. | SF 079003 | WOC |
| 9 | NEBU 406 | G-22-31N-7W | SJ Co., N.M. | SF 079003 | WOC |
| 10 | NEBU 407 | A-21-30N-7W | RA Co., N.M. | SF 079060 | WOC |
| 11 | NEBU 413 | B-20-30N-7W | RA Co., N.M. | SF 079060 | WOC |
| 12 | NEBU 421 | P-04-30N-7W | RA Co., N.M. | SF 079043 | WOC |
| 13 | NEBU 423 | A-08-30N-7W | RA Co., N.M. | SF 079042 | WOC |
| 14 | NEBU 425 | K-08-30N-7W | RA Co., N.M. | Fee | WOC |
| 15 | NEBU 427 | W-16-30N-7W | RA Co., N.M. | E 178-1 | WOC |
| 16 | NEBU 429 | B-17-30N-7W | RA Co., N.M. | SF 079060 | WOC |
| 17 | NEBU 441 | G-24-30N-8W | SJ Co., N.M. | SF 078615 A | WOC |
| VI. MORRISON/ENTRADA INJECTION WELL | | | | | |
| 1 | NEBU 501 | E-10-30N-7W | RA Co., N.M. | SF 079001 | SWD |

EXHIBIT C

NORTHEAST BLANCO UNIT
PRODUCTION - All Wells
Monthly Volume - MMCF

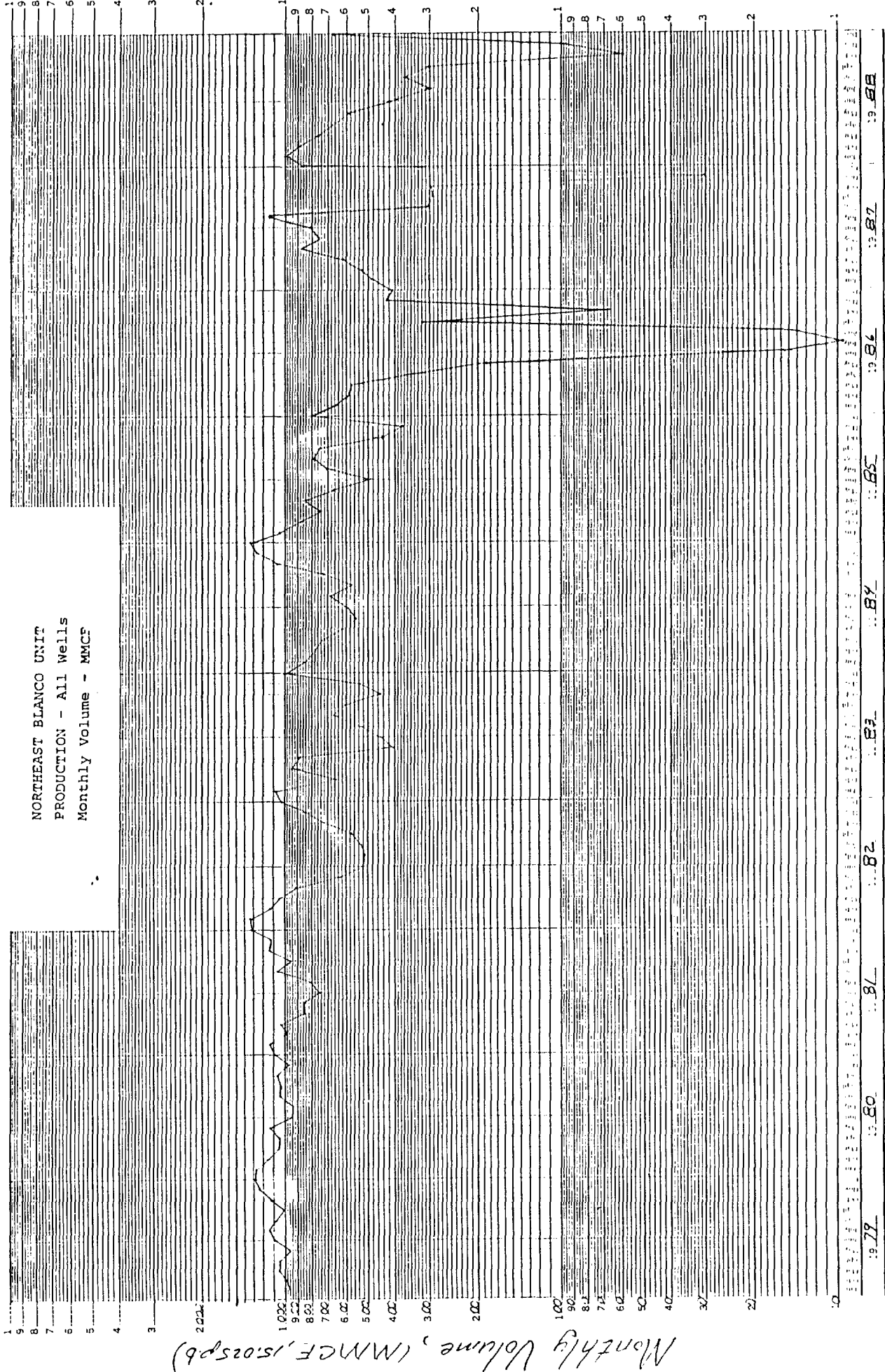


EXHIBIT D

NORTHEAST BLANCO UNIT
1989 PROPOSED FRUITLAND COAL WELLS

| | Name | Location | County |
|----|---------|------------------------|-------------------------------|
| 1 | No. 412 | SW, Sec. 29, T31N, R7W | San Juan County, New Mexico |
| 2 | No. 414 | NE, Sec. 30, T31N, R7W | San Juan County, New Mexico |
| 3 | No. 416 | NE, Sec. 21, T31N, R7W | San Juan County, New Mexico |
| 4 | No. 418 | SW, Sec. 28, T31N, R7W | San Juan County, New Mexico |
| 5 | No. 420 | NE, Sec. 28, T31N, R7W | San Juan County, New Mexico |
| 6 | No. 422 | SW, Sec. 20, T31N, R7W | San Juan County, New Mexico |
| 7 | No. 424 | NW, Sec. 4, T30N, R7W | San Juan County, New Mexico |
| 8 | No. 430 | SE, Sec. 5, T30N, R7W | San Juan County, New Mexico |
| 9 | No. 432 | NE, Sec. 7, T30N, R7W | San Juan County, New Mexico |
| 10 | No. 446 | SW, Sec. 33, T31N, R7W | San Juan County, New Mexico |
| 11 | No. 448 | NE, Sec. 32, T31N, R7W | San Juan County, New Mexico |
| 12 | No. 450 | SW, Sec. 32, T31N, R7W | San Juan County, New Mexico |
| 13 | No. 451 | NE, Sec. 6, T30N, R7W | San Juan County, New Mexico |
| 14 | No. 453 | SW, Sec. 6, T30N, R7W | San Juan County, New Mexico |
| 15 | No. 454 | NE, Sec. 33, T31N, R7W | San Juan County, New Mexico |
| 16 | No. 455 | NE, Sec. 31, T31N, R7W | San Juan County, New Mexico |
| 17 | No. 457 | SW, Sec. 31, T31N, R7W | San Juan County, New Mexico |
| 18 | No. 459 | NE, Sec. 19, T31N, R7W | San Juan County, New Mexico |
| 19 | No. 472 | NE, Sec. 29, T31N, R7W | San Juan County, New Mexico |
| 20 | No. 478 | SE, Sec. 21, T31N, R7W | San Juan County, New Mexico |
| 21 | No. 461 | SW, Sec. 7, T30N, R7W | San Juan County, New Mexico |
| 22 | No. 463 | NE, Sec. 18, T30N, R7W | San Juan County, New Mexico |
| 23 | No. 465 | NE, Sec. 1, T30N, R8W | San Juan County, New Mexico |
| 24 | No. 467 | NE, Sec. 12, T30N, R8W | San Juan County, New Mexico |
| 25 | No. 469 | NE, Sec. 13, T30N, R8W | San Juan County, New Mexico |
| 26 | No. 471 | NE, Sec. 25, T31N, R8W | San Juan County, New Mexico |
| 27 | No. 473 | NE, Sec. 36, T31N, R8W | San Juan County, New Mexico |
| 28 | No. 475 | SE, Sec. 19, T30N, R7W | Rio Arriba County, New Mexico |
| 29 | No. 477 | NE, Sec. 29, T30N, R7W | Rio Arriba County, New Mexico |
| 30 | No. 479 | SW, Sec. 20, T30N, R7W | Rio Arriba County, New Mexico |
| 31 | No. 481 | SW, Sec. 36, T31N, R7W | Rio Arriba County, New Mexico |
| 32 | No. 483 | NE, Sec. 36, T31N, R7W | Rio Arriba County, New Mexico |
| 33 | No. 485 | NE, Sec. 3, T30N, R7W | Rio Arriba County, New Mexico |

1989 PROPOSED MORRISON-ENTRADA WELLS

| | | | |
|----|---------|------------------------|-----------------------------|
| 34 | No. 502 | NE, Sec. 32, T31N, R7W | San Juan County, New Mexico |
| 35 | No. 503 | SW, Sec. 36, T31N, R8W | San Juan County, New Mexico |



United States Department of the Interior



BUREAU OF LAND MANAGEMENT
ALBUQUERQUE DISTRICT OFFICE
435 MONTANO N.E.
ALBUQUERQUE, NEW MEXICO 87107

NOV 04 1988

Northeast Blanco (POD)
3180 (015)

#310

Blackwood & Nichols Co.
ATTN: William F. Clark
P.O. Box 1237
Durango, CO 81302

Gentlemen:

One approved copy of your amendment to the 1988 Plan of Development for the Northeast Blanco Unit area, San Juan and Rio Arriba County, New Mexico is enclosed. Such plan, proposing the drilling of 19 Fruitland Coal wells (Northeast Blanco well No. 415, 417, 419, 421, 423, 425, 427, 429, 431, 433, 435, 437, 439, 441, 443, 445, 447, 449 and 408), is approved this date subject to like approval by the appropriate officials of the State of New Mexico.

Starting with the 1989 Plan of Development, please provide the following information in your annual Plan of Development.

1. A summary of operations for the past year which should include up-to-date maps showing the latest geologic interpretations, all wells and participating area boundaries. Should there be no changes from one year to another, reference may be made to the most recent map submitted.
2. A list showing the status of all wells.
3. Performance curves covering the productive life of each horizon under a participating area, including injectivity curves.
4. Your plans for development within the unit area for the next year.
5. Pertinent data as to the effectiveness of the enhanced recovery project (if applicable). This information should include data on current and cumulative water injection rates, current and cumulative water, gas, and oil production and current water-oil ratios. A short discussion as to the general progress of the flood and any significant changes in any phase of the project should also be included.

All plans of development are to be filed in triplicate.

If you have any questions, please contact Gail Keller at the above address or telephone (505) 761-4503.

Sincerely,

/s/ Gary A. Stephens

Assistant District Manager
Mineral Resources

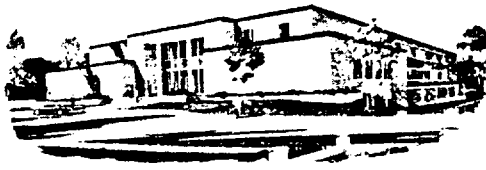
Enclosure

✓ NMOCD, Santa Fe

State of New Mexico



W.R. HUMPHRIES
COMMISSIONER



Commissioner of Public Lands

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

SLO REF NO. 917

October 17, 1988

Blackwood & Nichols Co., Inc.
Attn: Mr. William F. Clark
P. O. Box 1237
Durango, Colorado 81302-1237

Re: 2nd amdment to 1988 Plan of Development
Northeast Blanco Unit
San Juan and Rio Arriba Counties, New Mexico

Gentlemen:

The Commissioner of Public Lands has this date approved the above captioned Plan of Development.

Our approval is subject to like approval by all other appropriate agencies.

Enclosed is an approved copy for your files.

If we may be of further help please do not hesitate to call on us.

Very truly yours,

W. R. HUMPHRIES
COMMISSIONER OF PUBLIC LANDS

BY: *Floyd O. Prando*
FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5744

cc: OCD
BLM

BLACKWOOD & NICHOLS CO., LTD.

P.O. BOX 1237
DURANGO, COLORADO 81302-1237

(303) 247-0728

October 13, 1988

United States Department of the Interior
Bureau of Land Management
435 Montano Road, N.E.
Albuquerque, New Mexico 87107

Commissioner of Public Lands
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87501

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
State Land Office Building
Santa Fe, New Mexico 87501

Re: Northeast Blanco Unit No. 1, Sec. 929
San Juan and Rio Arriba Counties,
New Mexico

Gentlemen:

Blackwood & Nichols Co., Ltd., as Unit Operator, on behalf of itself and all owners of oil and gas leases within the Northeast Blanco Unit, hereby submits a second amendment to the Plan of Development for the calendar year 1988.

Blackwood & Nichols proposes to drill the wells listed on Exhibit A during late 1988 to further develop the Fruitland Coal Formation in the Northeast Blanco Unit.

Please approve this amendment to the Plan of Development as soon as possible. Thank you for your cooperation in this matter.

Sincerely,

BLACKWOOD & NICHOLS CO., LTD.

William F. Clark ew

William F. Clark
Operations Manager

WFC:ew

Attachment

Approved: _____ Date: _____

United States Department of the Interior
Bureau of Land Management
435 Montano Road, NE
Albuquerque, New Mexico 87107

Subject to like approval by the Commissioner of Public Lands and
Oil Conservation Division.

Approved: _____ Date: _____

Commissioner of Public Lands
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87501

Subject to like approval by the Minerals Management Service and
the Oil Conservation Division.

Approved:  _____ Date: 10-20-88

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
State Land Office Building
Santa Fe, New Mexico 87501

Subject to like approval by the Minerals Management Service and
Commissioner of Public Lands.

The above approvals for the Northeast Blanco Unit Agreement No. 1, Section 929,
San Juan and Rio Arriba Counties, New Mexico,
October 13, 1988 Supplement to the 1988 Plan of Development

United States Department of the Interior
October 13, 1988

EXHIBIT A

Plan of Development - Second Amendment

1988 Proposed Fruitland Coal Formation

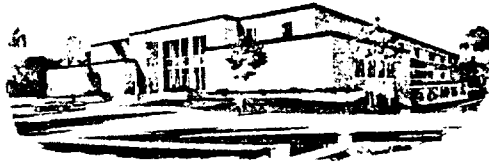
Northeast Blanco Unit

| <u>Number</u> | <u>Location</u> | <u>Number</u> | <u>Lease Type</u> | <u>Surface Type</u> |
|---------------|-----------------|---------------|-----------------------|-------------------------|
| 1 | NE, 2, 30, 7 | 415 | State | State |
| 2 | SW, 2, 30, 7 | 417 | State | State |
| 3 | SW, 3, 30, 7 | 419 | Federal | State |
| 4 | SE, 4, 30, 7 | 421 | Federal | B of R |
| 5 | NE, 8, 30, 7 | 423 | Federal | B of R |
| 6 | SW, 8, 30, 7 | 425 | Fee | B of R |
| 7 | SW, 16, 30, 7, | 427 | State | State |
| 8 | NE, 17, 30, 7 | 429 | Federal | B of R |
| 9 | SE, 17, 30, 7 | 431 | Federal | B of R |
| 10 | SW, 19, 30, 7 | 433 | Federal | State |
| 11 | SW, 1, 30, 8 | 435 | Federal | BLM |
| 12 | SW, 12, 30, 8 | 437 | Federal | B of R |
| 13 | SW, 13, 30, 8 | 439 | Federal | B of R |
| 14 | NE, 24, 30, 8 | 441 | Federal | BLM |
| 15 | SW, 24, 30, 8 | 443 | Federal | BLM |
| 16 | SW, 25, 31, 8 | 445 | Federal | Fee |
| 17 | SW, 36, 31, 8 | 447 | State | State |
| 18 | SW, 19, 31, 8 | 449 | Federal | State |
| 19 | NE, 20, 31, 7 | 408 | Federal | Fee |

State of New Mexico



W.R. HUMPHRIES
COMMISSIONER



Commissioner of Public Lands

SLO REF NO OG-781

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

May 9, 1988

Blackwood & Nichols Co., Ltd.
Attn: Mr. William F. Clark
P. O. Box 1237
Durando, Colorado 81302-1237

Re: Amended 1988 Plan of Development
Northeast Blanco Unit
San Juan & Rio Arriba Counties, NM

Gentlemen:

The Commissioner of Public Lands has this date approved your 1988 Plan of Development for the above captioned unit area.

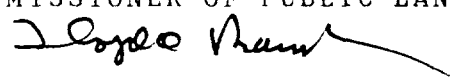
Our approval is subject to like approval by all other appropriate agencies.

Enclosed is an approved copy for your files.

If we may be of further help please do not hesitate to call on us.

Very truly yours,

W. R. HUMPHRIES
COMMISSIONER OF PUBLIC LANDS

BY: 
FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5744

WRH/FOP/pm
encls.
cc: OCD
BLM

APR 18 1988

APR 20 1988

Northeast Blanco Unit(POD)
3180 (015)

Blackwood, Santa Fe
ATTN: William F. Clark
P.O. Box 1237
Durango, CO 81302

Gentlemen:

One approved copy of your 1988 Plan of Development and supplement Plan of Development for the Northeast Blanco Unit area, San Juan and Rio Arriba County, New Mexico is enclosed. Such plan, proposing no new wells for the 1988 Plan of Development and to drill 10 Fruitland Coal wells in the 1988 supplement Plan of Development was approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

The possibility might exist of drainage by wells outside of the unit boundary. You will be contacted at a later date about this possibility.

Starting with the 1989 Plan of Development, please provide the following information in your annual Plan of Development.

1. A summary of operations for the past year which should include up-to-date maps showing the latest geologic interpretations, all wells and participating area boundaries. Should there be no changes from one year to another, reference may be made to the most recent map submitted.
2. A list showing the status of all wells.
3. Performance curves covering the productive life of each horizon under a participating area, including injectivity curves.
4. Your plans for development within the unit area for the next year.
5. Pertinent data as to the effectiveness of the enhanced recovery project (if applicable). This information should include data on current and cumulative water injection rates, current and cumulative water, gas, and oil production and current water-oil ratios. A short discussion as to the general progress of the flood and any significant changes in any phase of the project should also be included.

All plans of development are to be filed in triplicate.

If you have any questions, please contact Carl Keller at the above address or telephone (305) 761-4503.

Sincerely,

(Orig. Signed) - GARY A. STEVENS

cc:NM-019***NMOC, Santa Fe
Comm of Pub. Lands, Santa Fe**015:GKeller:ja:4/13/88:4072M

MAY 02 1988

Northeast Blanco
3120 (015) (POD)

Blackwood & Nichols Co.
ATTN: William F. Clark
P.O. Box 1237
Durango, CO 81302

Gentlemen:

One approved copy of your 1988 second amended Plan of Development for the Northeast Blanco Unit area, San Juan & Rio Arriba County, New Mexico is enclosed. Such plan, proposing the deletion of well No. 405 (SW $\frac{1}{4}$ section 21, T. 30 N., R. 7 W.), and the addition of well No. 501 (NW $\frac{1}{4}$ section 10, T. 30 N., R. 7 W.) in the Morrison-Entrada Formation, and well No. 413 (NE $\frac{1}{4}$ section 20, T. 30 N., R. 7 W.) in the Fruitland Coal Formation, was approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

Starting with the 1989 Plan of Development, please provide the following information in your annual Plan of Development.

1. A summary of operations for the past year which should include up-to-date maps showing the latest geologic interpretations, all wells and participating area boundaries. Should there be no changes from one year to another, reference may be made to the most recent map submitted.
2. A list showing the status of all wells.
3. Performance curves covering the productive life of each horizon under a participating area, including injectivity curves.
4. Your plans for development within the unit area for the next year.
5. Pertinent data as to the effectiveness of the enhanced recovery project (if applicable). This information should include data on current and cumulative water injection rates, current and cumulative water, gas, and oil production and current water-oil ratios. A short discussion as to the general progress of the flood and any significant changes in any phase of the project should also be included.

All plans of development are to be filed in triplicate.

The possibility of drainage by wells outside of the unit boundary may exist. You will be contacted at a later date about this possibility.

If you have any questions, please contact Gail Keller at the above address or telephone (505) 761-4503.

Sincerely,

(Orig. Signed) - Sid Vogelpohl

Assistant District Manager
Mineral Resources

Enclosure

cc:

NM-019

✓ NMOCD, Santa Fe

Comm. of Pub. Lands, Santa Fe

015:GKeller:ag:4/25/88:4115M

#318

BLACKWOOD & NICHOLS CO., LTD.

P.O. BOX 1237

DURANGO, COLORADO 81302-1237

(303) 247-0728

April 21, 1988

United States Department of the Interior
Bureau of Land Management
435 Montano Road, N.E.
Albuquerque, New Mexico 87107

Commissioner of Public Lands
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87501

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
State Land Office Building
Santa Fe, New Mexico 87501

Re: Northeast Blanco Unit No. 1, Sec. 929
San Juan and Rio Arriba Counties,
New Mexico

Gentlemen:

Blackwood & Nichols Co., Ltd., as Unit Operator, on behalf of itself and all owners of oil and gas leases within the Northeast Blanco Unit, hereby submits an amendment to the Plan of Development for the calendar year 1988.

By letter of March 10, 1988, Blackwood & Nichols Co., Ltd. identified ten Fruitland Coal wells to be drilled in 1988. This amendment has two purposes: First, to delete the Northeast Blanco Unit No. 405 well, SW 1/4, Section 21, T30N, R7W, which will be replaced by the Northeast Blanco Unit No. 413, NE 1/4, Section 21, T30N, R7W, also a Fruitland Coal well. The second item is to identify a new well for the 1988 Plan of Development.

Morrison-Entrada Formations

Northeast Blanco Unit Well No. 501, NW 1/4, Section 10, T30N, R7W

This well will test these formations for hydrocarbon potential and if they are dry, this well will be used for salt water disposal.

Amendment To Plan of Development
April 21, 1988
Page 2

Please approve this amendment to the Plan of Development as soon as possible. Thank you for your cooperation in this matter.

Sincerely,

BLACKWOOD & NICHOLS CO., LTD.

A handwritten signature in cursive script, reading "William F. Clark".

William F. Clark
Operations Manager


WFC:ew

Attachment


Revised April 21, 1988

1988 Proposed Fruitland Coal Drilling Program

Northeast Blanco Unit

| <u>Well</u> <u>No.</u> | <u>Location</u> |
|---|--|
| 1) 400 | SW 1/4, Section 7, T31N, R6W |
| 2) 402 | NE 1/4, Section 5, T30N, R7W |
| 3) 404 | W 1/2, Section 34, T31N, R7W |
| 4) 406 | NE 1/4, Section 22, T31N, R7W |
| 5) 401 | SW 1/4, Section 9, T30N, R7W |
| 6) 403 | NE 1/4, Section 9, T30N, R7W |
| 7) 405 | SW 1/4, Section 21, T30N, R7W |
| 8) 407 | NE 1/4, Section 21, T30N, R7W |
| 9) 409 | SW 1/4, Section 10, T30N, R7W |
| 10) 411 | NE 1/4, Section 10, T30N, R7W |
|  7) 413 | NE 1/4, Sec. 20, T30N, R7W |

Morrison-Entrada Test

 501 NW 1/4, Sec. 10, T30N, R7W

Amendment to Plan of Development
April 21, 1988
Page 4

Approved: _____ Date: _____

United States Department of the Interior
Bureau of Land Management
435 Montano Road, NE
Albuquerque, New Mexico 87107

Subject to like approval by the Commissioner of Public Lands and
Oil Conservation Division.

Approved: _____ Date: _____

Commissioner of Public Lands
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87501

Subject to like approval by the Minerals Management Service and
the Oil Conservation Division.

Approved:  Date: 4-27-88

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
State Land Office Building
Santa Fe, New Mexico 87501

Subject to like approval by the Minerals Management Service and
Commissioner of Public Lands.

The above approvals for the Northeast Blanco Unit Agreement No. 1, Section 929,
San Juan and Rio Arriba Counties, New Mexico,
April 21, 1988 Supplement to the 1988 Plan of Development