

UNITED STATES DEPARTMENT OF THE INTERIOR GEOLOGICAL SURVEY

2-039-24785
4. LEASE DESIGNATION AND SERIAL NO. SF079043
5. IF INDIAN, ALLOTTEE OR TRIBE NAME
7. UNIT AGREEMENT NAME Northeast Blanco
8. FARM OR LEASE NAME Northeast Blanco Unit
9. WELL NO. 403R
10. FIELD AND POOL, OR WILDCAT Basin Fruitland Coal
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA G Sec. 9, T30N, R7W, NMPM
12. COUNTY OR PARISH Rio Arriba
13. STATE NM

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL [X] DEEPEN [] PLUG BACK []

b. TYPE OF WELL OIL WELL [] GAS WELL [X] OTHER [] SINGLE ZONE [X] MULTIPLE ZONE []

2. NAME OF OPERATOR Blackwood & Nichols Co., Ltd.

RECEIVED

3. ADDRESS OF OPERATOR P.O.Box 1237, Durango, Colorado, 81302 -1237

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 1650' FNL - 1400' FEL At proposed prod. zone same

BUREAU OF LAND MANAGEMENT PLANNING OF RESOURCE AREA

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 15 miles NE of Blanco, New Mexico

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 990'

18. NO. OF ACRES IN LEASE 2314.56

17. NO. OF ACRES ASSIGNED TO THIS WELL E/ 320

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 210'

19. PROPOSED DEPTH 3192'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6311' GL

22. APPROX. DATE WORK WILL START* May 15, 1990

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

PROPOSED CASING AND CEMENTING PROGRAM

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED GENERAL REQUIREMENTS

Table with 5 columns: SIZE OF HOLE, SIZE OF CASING, WEIGHT PER FOOT, SETTING DEPTH, QUANTITY OF CEMENT. Rows include 12 1/4" hole with 9 5/8" casing, 8 3/4" hole with 7" casing, and 6 1/4" hole with 5 1/2" casing.

Propose to spud in the San Jose formation. Drill a 12 1/4" surface hole to a TD of 300'. Run and cement surface casing with cement returns to surface. WOC 12 hours. Test to 600 psi/ 30 mins. Drill an 8 3/4" hole to a TD of 2960' using fresh water mud. No abnormal pressures or poisonous gases are anticipated. Run and cement intermediate casing with cement returns to surface. WOC 12 hours. Test to 1500 psi for 30 mins. Drill a 6 1/4" hole to a TD of 3192' using water and air. A mud logging unit will be used while drilling this interval. Run the production liner. The liner will be cemented if fracture stimulation is necessary.

RECEIVED MAY 29 1990 OIL CON. DIV. DIST. 3

Surface is Bureau of Reclamation

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

24. SIGNED [Signature] TITLE Operations Manager DATE May 90

(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE

APPROVED BY [Signature] TITLE AS / MANAGER DATE

CONDITIONS OF APPROVAL, IF ANY:

Hold e-104 til the #1403 is plugged or converted to a press. monitor well

*See Instructions On Reverse Side

MAY 24 1990 Ken Townsend FOR AREA MANAGER

Submit to Appropriate
District Office
State Leases - 4 copies
For Leases - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

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

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

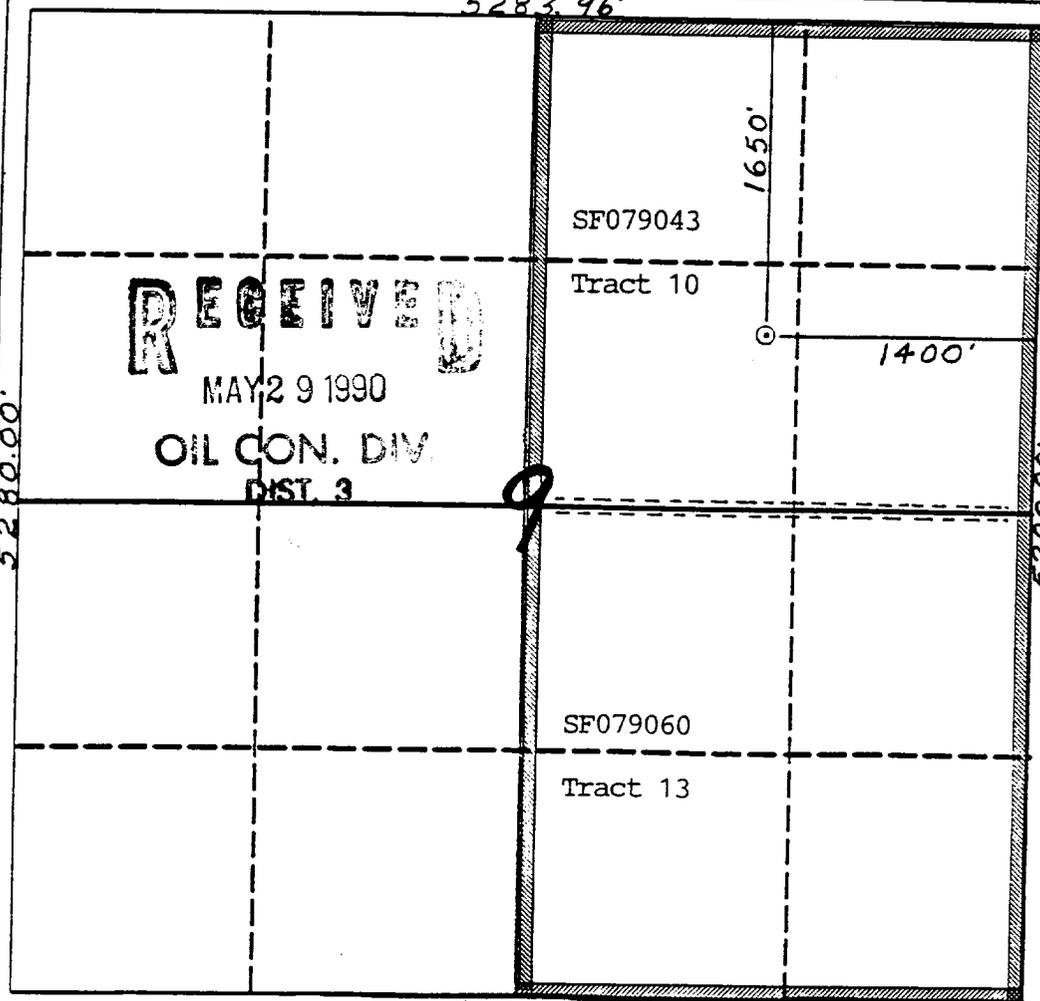
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

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. 403R
Unit Letter G	Section 9	Township 30 North	Range 7 West	County Rio Arriba
Actual Footage Location of Well: 1650 feet from the North line and 1400 feet from the East line				
Ground level Elev. 6311'	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 machine marks on the plat below.
2. If more than one lease is dedicated to this 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 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, force-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 is 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., Ltd

Date: *May 1, 1990*

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.

Date Surveyed: *4-25-90*

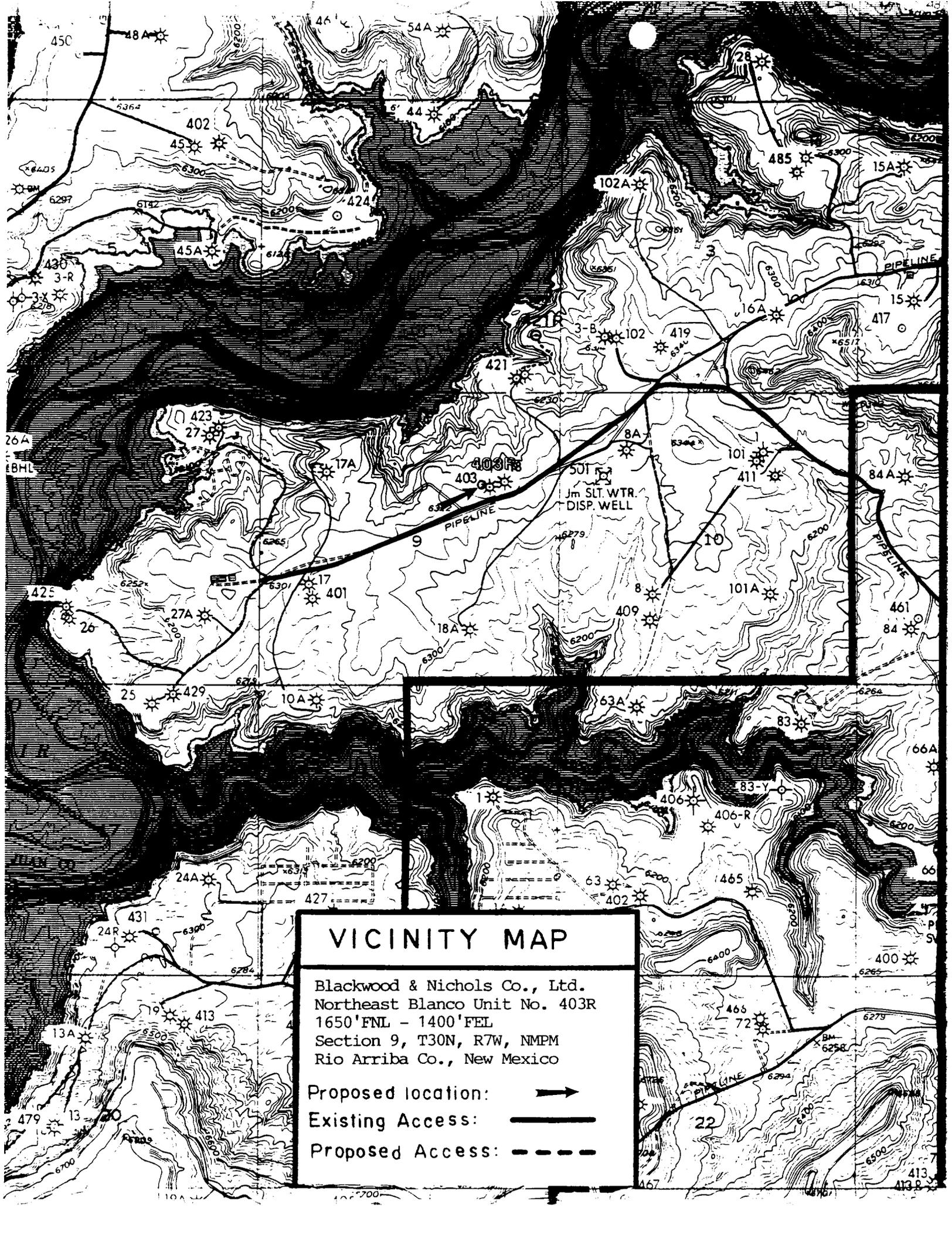
Signature: *Neale C. Edwards*

Professional Surveyor
NEW MEXICO
6857
REGISTERED LAND SURVEYOR
6857

Certificate No. *6857*

Neale C. Edwards

0 300 600 900 1200 1500 1800 2100 2400 2700 3000 3300 3600 3900 4200 4500 4800 5100 5400 5700 6000



VICINITY MAP

Blackwood & Nichols Co., Ltd.
Northeast Blanco Unit No. 403R
1650'FNL - 1400'FEL
Section 9, T30N, R7W, NMPM
Rio Arriba Co., New Mexico

- Proposed location: 
- Existing Access: 
- Proposed Access: 