

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 & Nichols Co., Ltd.

3. ADDRESS OF OPERATOR

P. O. Box 1237, Durango, CO 81302

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

At surface 810' F/NL, 1530' F/EL

At proposed prod. zone

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

11 miles

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any)

16. NO. OF ACRES IN LEASE

2396.77

17. NO. OF ACRES ASSIGNED

TO THIS WELL 160 acres

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

19. PROPOSED DEPTH

3,800'

20. ROTARY OR CABLE TOOLS

Rotary

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

6624' GL (Ungraded)

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED

22. APPROX. DATE WORK WILL START*

September 10, 1987

23. PROPOSED DRILLING 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	
12 1/4"	9 5/8"	36.0	200'	Circulate (236 cf)
7 7/8"	4 1/2"	10.5	3,800'	Circulate or cover Ojo Alamo (1,100 cf)

Blackwood & Nichols proposes to drill this Fruitland/Pictured Cliffs well to further
develop the Northeast Blanco Unit. Project summary:

1. Drill 12 1/4" hole to $\pm 200'$. Run and cement 9 5/8" surface casing; circulate cement to surface; WOC - 12 hours.
2. Install BOP, pressure test casing to 1,000 psi.
3. Drill 7 7/8" hole to $\pm 3,800'$ with a fresh water weight gel mud. Run electric and radioactive logs.
4. Run and cement 4 1/2" production casing; cover Ojo Alamo with cement. Run temperature survey if fail to circulate cement.
5. Run cement bond from T.D. to Fruitland formation.
6. Selectively perforate and break down the Pictured Cliffs and Fruitland zones; fracture stimulate with sand and water.
7. Run 2 3/8" production tubing.

Attached: Onshore Drilling Program and Surface Use Program

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

24. William F. Clark SIGNED William F. Clark TITLE Operations Manager DATE August 21, 1987

(This space for Federal or State office use)

PERMIT NO. _____

APPROVAL DATE SEP 14 1987

APPROVED BY _____

TITLE _____

DATE _____

CONDITIONS OF APPROVAL, IF ANY:

NMOCC

*See Instructions On Reverse Side

ACTING

1st Artan S. Wines

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.

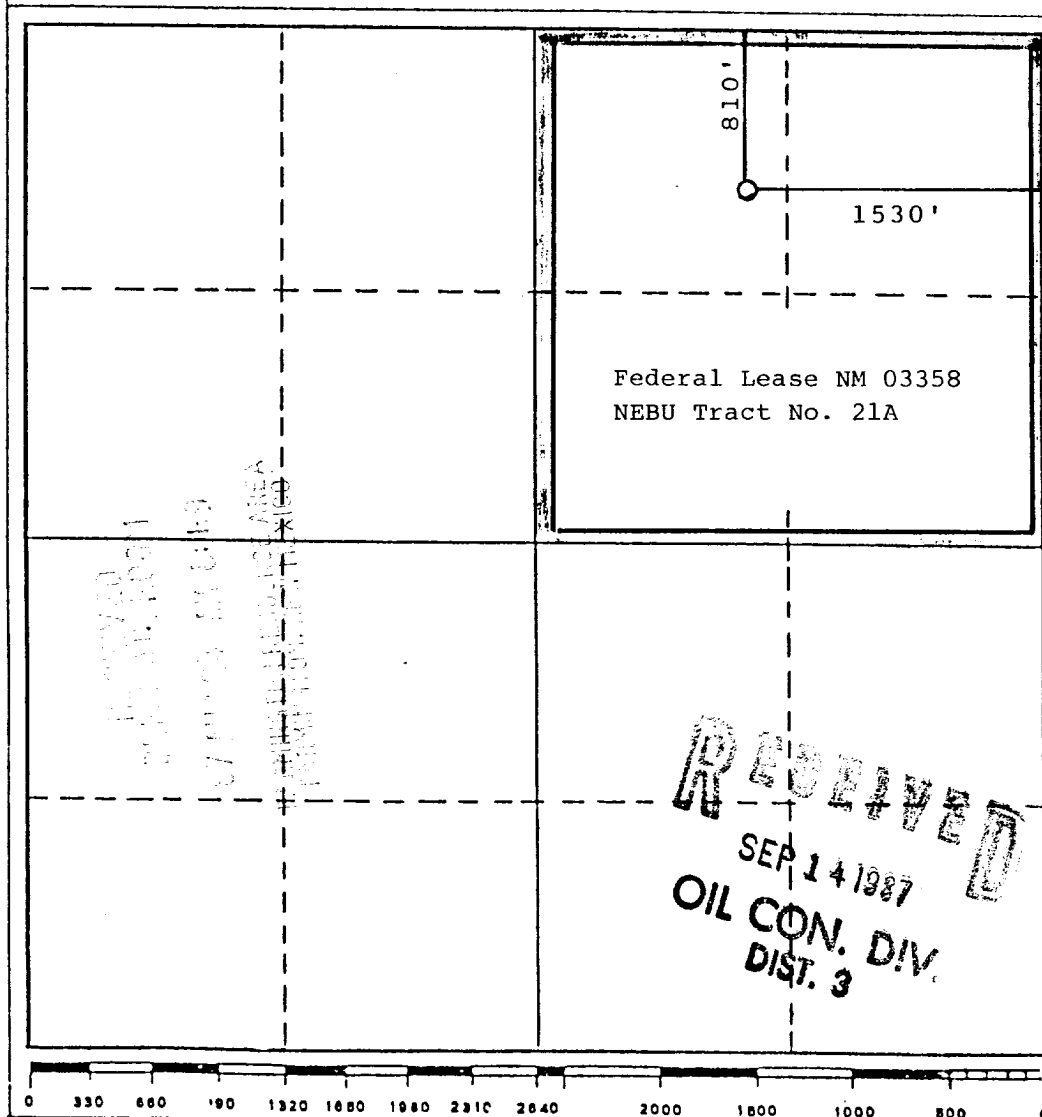
Operator BLACKWOOD & NICHOLS CO., LTD			Lease NORTHEAST BLANCO UNIT		Well No. 219
Unit Letter B	Section 12	Township T. 31 N.	Range 7W., N.M.P.M.	County San Juan	
Actual Footage Location of Well: 810 feet from the north line and 1530 feet from the east line					
Ground Level Elev: 6624 (U.G.)	Producing Formation Fruitland	Pool South Los Pinos (Ft. - PC) EXT	Dedicated Acreage: 160 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. Ltd.

Date
August 20, 1987

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
August 17, 1987

Registered Professional Engineer and/or Land Surveyor

Allison L. Kroeger
Allison L. Kroeger, PLS

Certificate No.
7922

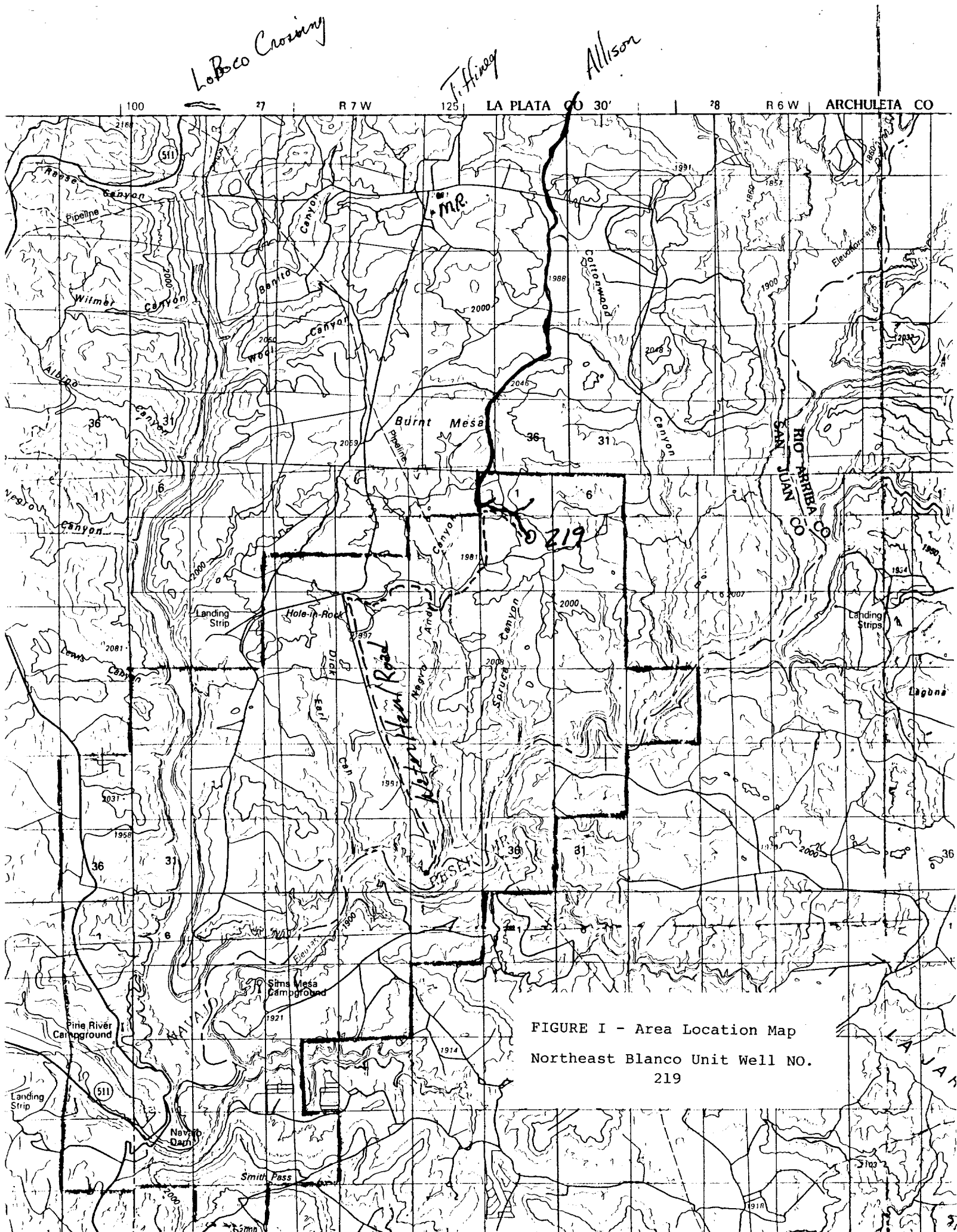


FIGURE I - Area Location Map
Northeast Blanco Unit Well NO.
219