

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Submit in Triplicate*

Form approved
Budget Bureau No. 1004-0435
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use - Application For Permit- for such proposals.)

1. Type of Well: oil well ___ gas well X other _____

2. Name of Operator: Blackwood & Nichols Co., Ltd.

3. Address of Operator: P.O. Box 1237, Durango, Colorado 81302-1237

4. Location of Well: (Report location clearly, in accordance with any State requirements)*
At surface
At top prod. interval reported below 1785' FNL, 1770' FEL
At total depth

5. Lease Designation & Serial #: NM-03356

6. If Indian, Allottee/Tribe Name

7. Unit Agreement Name: Northeast Blanco Unit

8. Farm or Lease Name: Northeast Blanco Unit

9. Well No.: 452

10. Field and Pool, or Wildcat: Basin Fruitland Coal

11. Sec., T., M., or Block and Survey or Area: Sec. 15, T31N, R7W

12. County or Parish: San Juan 13. State: NM

14. Permit No.: 5-08-75
15. Elevations (Show whether DF, RKB, RT, GR, Etc) 6539' GL

16. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

FEB 26 1990 NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:

CON. DIV. DIST. 3

- Test Water Shut-off _____ - Pull or Alter Casing _____ - Water Shut-off _____ - Repairing Well _____
- Fracture Treatment _____ - Multiple Complete _____ - Fracture Treatment _____ - Alternate Casing _____
- Shooting or Acidizing _____ - Abandon* _____ - Shooting or Acidizing _____ - Abandonment* _____
- Repair Well _____ - Change Plans _____ - Other: COMPLETION X
- Other _____ (Note: Report results of multiple completion on Well Completion or Recompletion Report Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

- 12-17-89 Move on and rig up. Pick up 6-1/4" bit drill collars, and 3-1/2" drill pipe.
- 12-18-89 Finished TIH with drill pipe. Found cement at 2951'. Pressure tested 7" casing and all sets of pipe rams to 2000 psig for 15 minutes - held OK. Drilled cement from 2951' to 3001'; float at 2957'; 7" casing shoe at 3001'.
Drilled Fruitland formation from 3001' to 3206' with water. Small gas flare at 3100'.
- 12-19-89 Drilling Fruitland coal from 3206' to 3425' with water Circulate hole with water, very light returns.
Work pipe, blow hole with air water; returns - very light 1/8" coal

(Continued on next page)

Accepted For Record

2-20-90
[Signature]
Chief [Title]

18. I hereby certify that the foregoing is true and correct.

Signed: William F. Clark William F. Clark Title: Operations Manager Date: 6 Feb 90

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

* See Instructions on Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency or the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

12-20-89 Blow hole with air and water; returns moderate to heavy coal, shale and siltstone in clear water. Pull into 7" casing. Gauge well through 2" line: 1 hr - 4.0 psi, 1236 MCFD (dry). Surge well, TIH, clean out bridges.

Coal intervals:

3165-3174'(9')906 units gas
3209-3211'(2')586 units gas
3213-3215'(2')
3216-3219'(3')
3220-3222'(2')
3228-3230'(2')
3241-3242'(1')
3289-3293'(4')703 units gas

Total feet of gas 25'

12-21-89 Blow hole with air and water, returns moderate 1/16" to 1/2" coal. Water gauge - 1008 BWD. Pull into 7" casing. Pitot gauge through 2" line: 1 hr - 4.5 psi, 1304 MCFD (damp).

12-22-89 TIH, hit bridge at 3210', fell through with 5000# weight, had 20' fill on bottom. Circulate on bottom with air and water. Well making 850 BWD. Rig up Cudd. Strip out of hole.

12-23-89 Rig up Cudd to snub. Run 10 jts (365.52') 5-1/2" K-55 17# 8rd LT&C casing and 4 jts (96.94') 5-1/2" K-55 17# 8rd LT&C perforated with 4 HPF.

Liner Summary

Perforations (4 HPF)

Liner Top - 2956'3077' to 3094'
Guide Shoe - 3424'3136' to 3173'
Overlap - 45'3196' to 3212'
3292' to 3309'

Rig down snubbing lines. Strip in hole with 95 jts drill pipe. Pick up swivel; circulate, rotate, and wash to bottom. Set liner at 3424'. Rig down Cudd. Rig up floor and stripper head. Lay down drill pipe. (MLS)

12-24-89 Lay down drill pipe and liner hanger setting tool. Lay down drill collars. Pick up 4-1/2" mill, and 2-7/8" tubing. Mill at 3039'. Top plugs at 3077'. Lock rams. TIW valve on top of tubing closed. Drain up rig. Shut down at 6:00 p.m. for Christmas.

12-25-89 No activity - Christmas shut-down.

12-26-89 No activity - Christmas shut-down.

12-27-89 Rig repair.

12-28-89 Rig repair.

12-29-89 Start engines, circulate. Drill aluminum plugs 3077-3309' and clean out to 3423'. Circulate with air and water. Blow at ID with air and water through 3/4" fixed choke with 250 to 500 psi back pressure. Pull to 3419',. Slowly load tubing with water, chemically cut tubing off 6.5' above bit sub. (Left 4-1/2" plug mill, 1' long; 3-3/4" OD bit sub with float, 1.48' long; and 6.5' of 2-7/8" tubing.) Top of cut-off at 3414'.

Rig up Tefteller, set plug at 3010'. Run 105 jts (3223.85') 2-7/8" 6.5# J-55 8rd EUE, FBNAU Siderca tubing, set at 3228.87' open ended. Baker F nipple (2.25" ID) run 1 jt off bottom at 3203.82'. Nipple down BOP and nipple up upper tree. Blow with air down annulus and unload tubing.

Rig down. Flow well through 3/4" choke: 1 hr - 25 psi; 2 hrs - 5; 3 hrs - 180. Well unloading slugs of water - average FTP = 100 psig; $(100+12*12.365) = 1385$ MCFD (wet). Slowly shut well in over 2 hour period. Release rig.