

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-1-3-27336
SUBMIT IN TRIPPLICATE
(Other instructions on
reverse side)

20-1-3-27336
BUREAU OF LANDS
BUREAU OF RECLAMATION
BUREAU OF MINERAL INVESTIGATION

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 1020'FNL, 780'FEL
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
14 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) 780'
16. NO. OF ACRES IN LEASE 616.32

18. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 103'
19. PROPOSED DEPTH 3335'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
6432' GL

23. 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' | 207 cuft/circulate to surface |
| 8 3/4" | 7" | 23# | 3200' | 744 cuft/circulate to surface |
| 6 1/4" | 5 1/2" | 17# | 3100'-3335' | 39 cuft/circulate to surface |

Propose to spud in the San Jose formation. Will drill a 12 1/4" surface hole to a TD of 300'. Surface casing will be run and cemented with cement returns to surface. WOC 12 hrs. Test to 600 psi/30 mins. Drill a 8 3/4" hole to a TD of 3200' 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 pis/30 mins. Drill a 6 1/4" hole to a TD of 3335' 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 ownership is Bureau of Reclamation.

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. SIGNED William F. Clark TITLE Operations Manager DATE April 17, 1989

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE MAY 22 1989

CONDITIONS OF APPROVAL, IF ANY:

N5L-2696
OK
(8)

*See Instructions On Reverse Side

NMOCC

APPROVED
AS AMENDED
DATE MAY 22 1989
James S. Kelly
AREA MANAGER

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 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. 465 |
| Unit Letter A | Section 1 | Township 30 North | Range 8 West | County NMPM | San Juan |
| Actual Footage Location of Well: 1020 feet from the North line and 780 feet from the East line | | | | | |
| Ground level Elev. 6432 | Producing Formation Fruitland Coal | | Pool Basin Fruitland Coal | | Dedicated Acreage: 321.10 Acres |

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.

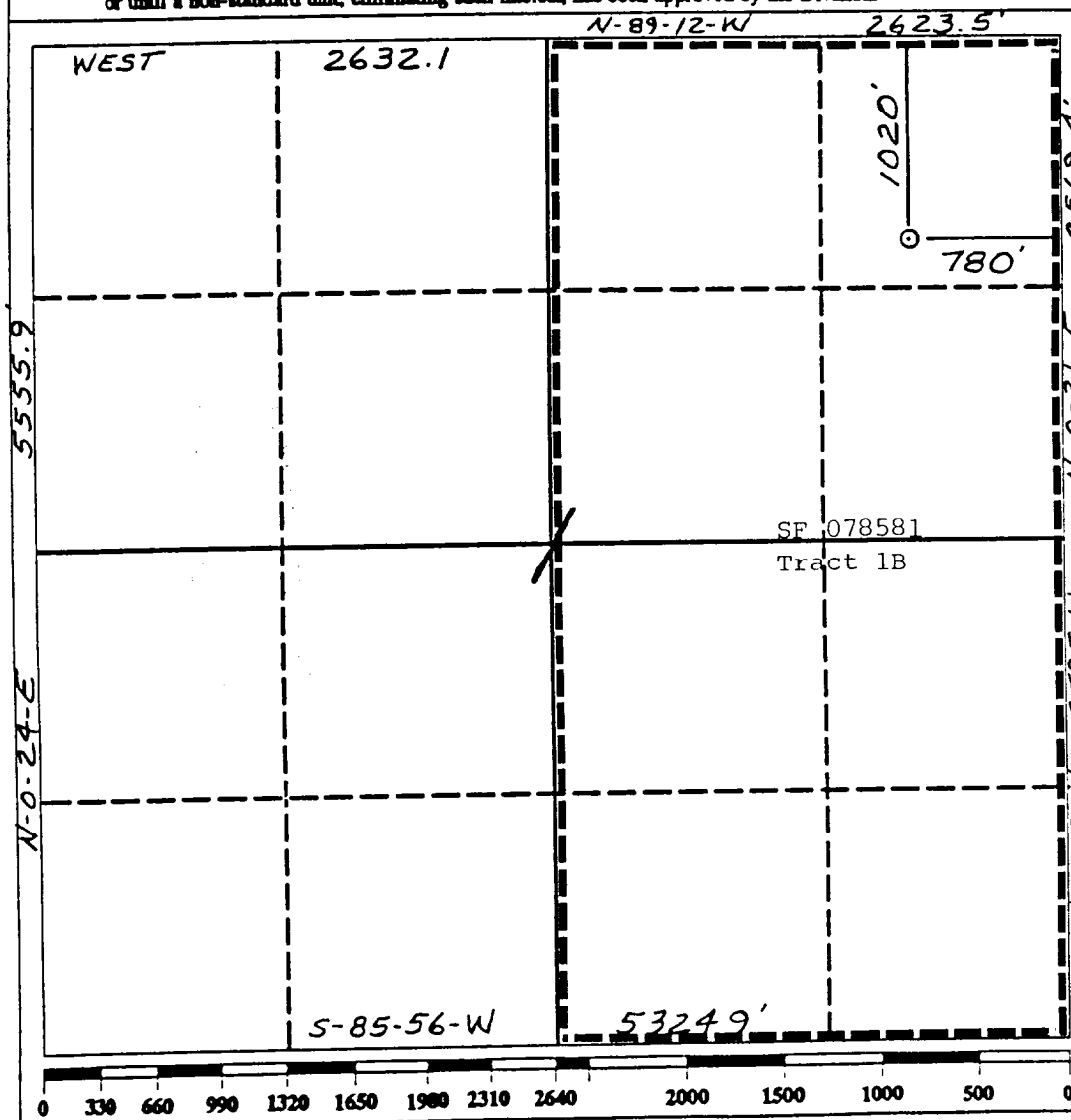
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

☐ Yes ☐ No If answer is "yes" type of consolidation N/A

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 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.
Date
April 17, 1989

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
Neale C. Edwards
Signature & Seal of Professional Surveyor
Neale C. Edwards
Certificate No.
6857

