

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

30-039-24620

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, Colorado, 81302-1237

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
 At surface: 1477' ENL - 793' FEL  
 At proposed prod. zone: Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 20 miles SE of Ignacio, Colorado

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 793'

16. NO. OF ACRES IN LEASE 520.00 2560

17. NO. OF ACRES ASSIGNED TO THIS WELL 320

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 70'

19. PROPOSED DEPTH 3220'

20. ROTARY OR CABLE TOOLS Rotary.

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6283' GL

22. APPROX. DATE WORK WILL START\* April 1, 1990

5. LEASE DESIGNATION AND SERIAL NO.  
 SF079010

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME  
 Northeast Blanco

8. FARM OR LEASE NAME  
 Northeast Blanco Unit

9. WELL NO.  
 493

10. FIELD AND POOL, OR WILDCAT  
 Basin Fruitland Coal

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
 H Sec. 25, T31N, R7W, NMPM

12. COUNTY OR PARISH Rio Arriba

13. STATE NM

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

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	GENERAL REQUIREMENTS
12 1/4"	9 5/8"	36#	300'	295 cuft., circ. to surface
8 3/4"	7"	23#	2830'	940 cuft., circ. to surface
6 1/4"	5 1/2"	17#	2730'-3220'	30 cuft., circ. to surface

Propose to spud in the San Jose formation. Will 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 2830' 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/ 30 mins. Drill a 6 1/4" hole to a TD of 3220' using water and air. Run a mud logging unit through this interval. Run the production liner. A 4 1/2" liner will be cemented if the wells natural flow capacity indicates the need for fracture stimulation.

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**OIL CON. DIV.**  
 DIST. 3

Surface ownership is Bureau of Land Management

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.

23. SIGNED William F. Clark TITLE Operations Manager DATE 11 Jan 90

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

**APPROVED AS AMENDED**

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

ok  
 (S)

WOOD

JAN 19 1990  
 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 01-89  
 RECEIVED  
 PLM MAIL ROOM  
 90 JAN 16 PM 12:49

OIL CONSERVATION DIVISION

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

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

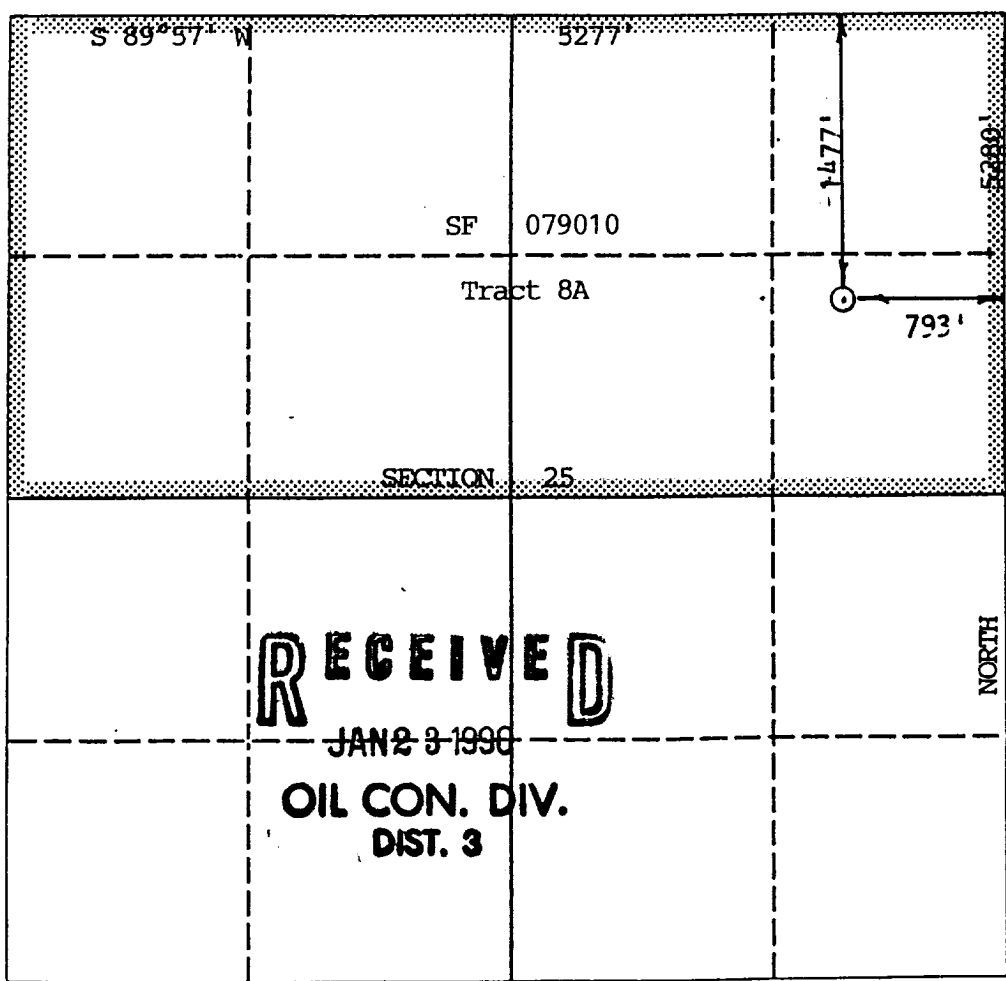
DISTRICT II  
 P.O. Drawer DD, Artesia, NM 88210

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 <b>BLACKWOOD NICHOLS CO. LTD.</b>			Lease <b>NORTHEAST BLANCO UNIT</b>		Well No. <b>493</b>
Unit Letter <b>H</b>	Section <b>25</b>	Township <b>31 N</b>	Range <b>7 W.</b>	County <b>NMPM RIO ARRIBA</b>	
Actual Footage Location of Well: <b>1477</b> feet from the <b>NORTH</b> line and <b>793</b> feet from the <b>EAST</b> line					
Ground level Elev. <b>6283</b>	Producing Formation <b>Fruitland Coal</b>	Pool <b>Basin Fruitland Coal</b>		Dedicated Acreage: <b>320</b> Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



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**JAN 23 1990**  
**OIL CON. DIV.**  
**DIST. 3**

**OPERATOR CERTIFICATION**  
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

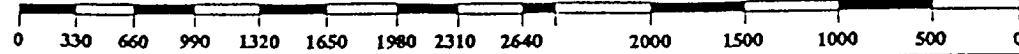
Signature: *William F. Clark*  
 Printed Name: **William F. Clark**  
 Position: **Operations Manager**  
 Company: **Blackwood & Nichols Co.**  
 Date: **11 Jan 90**

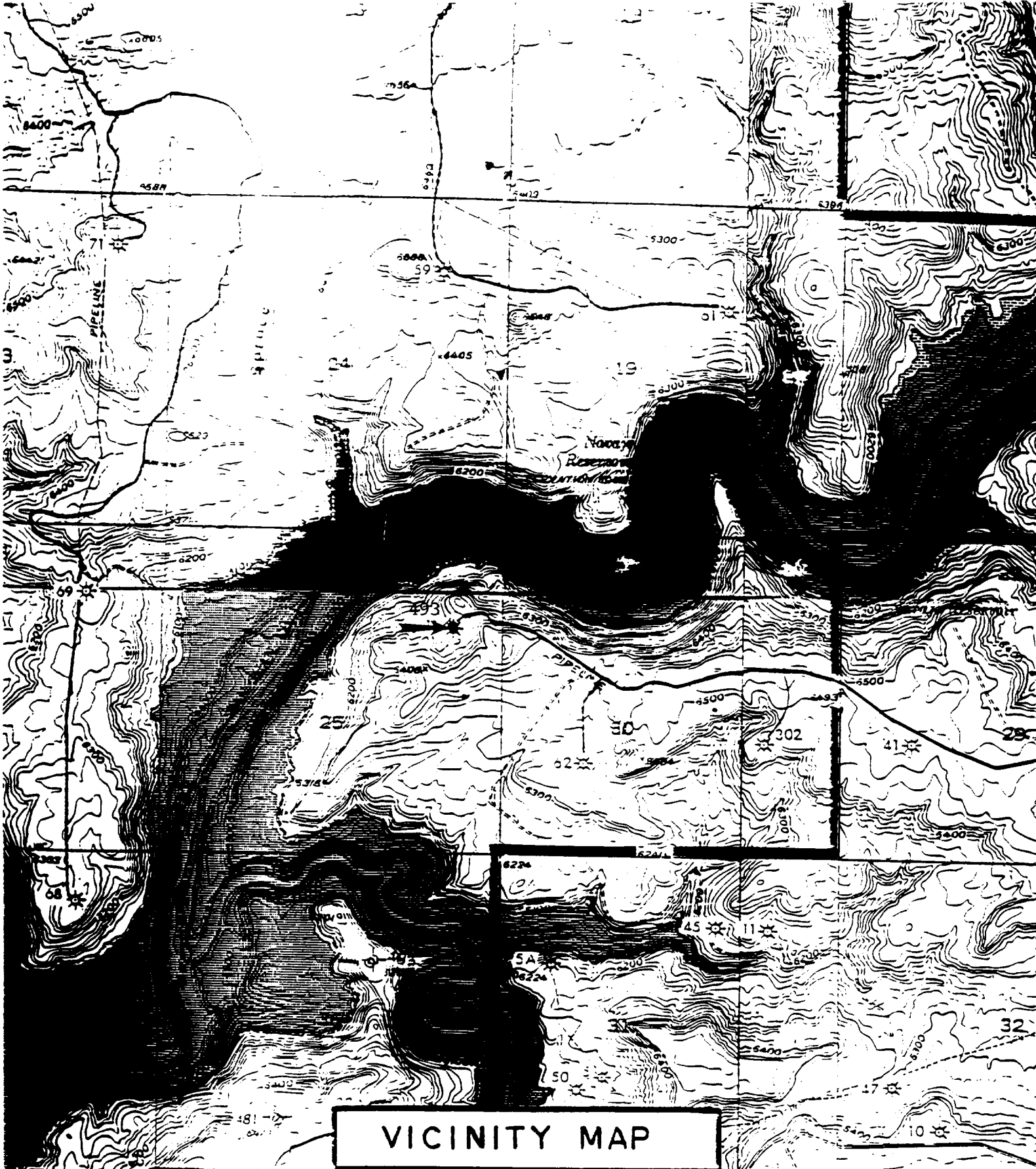
**SURVEYOR CERTIFICATION**  
 I hereby certify that the well location shown on this plat was plotted from field notes or actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: **9/29/89**

Signature & Seal of Professional Surveyor:  
*R. Howard Daggett*  
**REGISTERED PROFESSIONAL LAND SURVEYOR**  
 8872

Certificate No.: **9679**  
 Registered Professional Land Surveyor





### VICINITY MAP

Blackwood & Nichols Co., Ltd.  
Northeast Blanco Unit No. 493  
1477' FNL - 793' FEL  
Section 25, T31N, R7W  
San Juan County, New Mexico