

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

(Other instructions on
reverse side)

30-039-24621

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface
At proposed prod. zone 1658' FSL, 957' FWL

5. LEASE DESIGNATION AND SERIAL NO.
NM-03357

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
Northeast Blanco Unit

8. FARM OR LEASE NAME
Northeast Blanco Unit

9. WELL NO.
495

10. FIELD AND POOL, OR WILDCAT
Basin Fruitland Coal

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
L
Sec. 30, T31N, R6W

12. COUNTY OR PARISH
Rio Arriba

13. STATE
NM

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

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
957'

16. NO. OF ACRES IN LEASE
640

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

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
170'

19. PROPOSED DEPTH
3265

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
6334' GL

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

23. SUBJECT TO PROPOSED CASING AND CEMENTING PROGRAM
"GENERAL REQUIREMENTS"

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | THIS ACTION IS SUBJECT TO TECHNICAL AND PROCEEDURAL REVIEW PURSUANT TO 43 CFR 3165.1 AND APPEAL PURSUANT TO 43 CFR 3165.4. |
|--------------|------------------|-----------------|---------------|--|
| 12-1/4" | 9-5/8" | 36# | 300' | 295 cf to circulate |
| 8-3/4" | 7" | 23# | 2970' | 940 cf to circulate |
| 6-1/4" | 5-1/2" or 4-1/2" | 17#, 11.6# | 2970'-3265' | 30 cf to circulate |

Purpose 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 hours. Test to 600 psi/30 minutes. Drill an 8-3/4" hole to a TD of 2970' 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 psi/30 minutes. Drill a 6-1/4" hole to a TD of 3265', using water and air. Run a mudlogging unit while drilling this interval. Run the production liner. A 4-1/2" liner will be cemented if the well's natural flow capacity indicates the need for fracture stimulation.

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.

24. SIGNATURE William F. Blair TITLE Operations Manager DATE 8 Jan '90

(This space for Federal or State office use)

PERMIT NO.

RECEIVED

APPROVAL DATE

APPROVED
AS AMENDED

APPROVED

CONDITIONS OF APPROVAL

JAN 23 1990

TITLE

JAN 15 1990

OIL CON. DIV
DIST. 3

*See Instructions On Reverse Side

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

RECEIVED
BLM MAIL ROOM

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

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

90 JAN 10 AM 11:00

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. 495 |
| Unit Letter L | Section 30 | Township 31 N. | Range 6 W. | County NMPM RIO ARriba |
| Actual Footage Location of Well: 1658 feet from the SOUTH line and 957 feet from the WEST line | | | | |
| Ground level Elev. 6334 | 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 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 NA
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

Printed Name

William F. Clark

Position

Operations Manager

Company

Blackwood & Nichols Co., Ltd

Date

8 Jan '90

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.

9/29/89

Date Surveyed

R. Howard Daggett

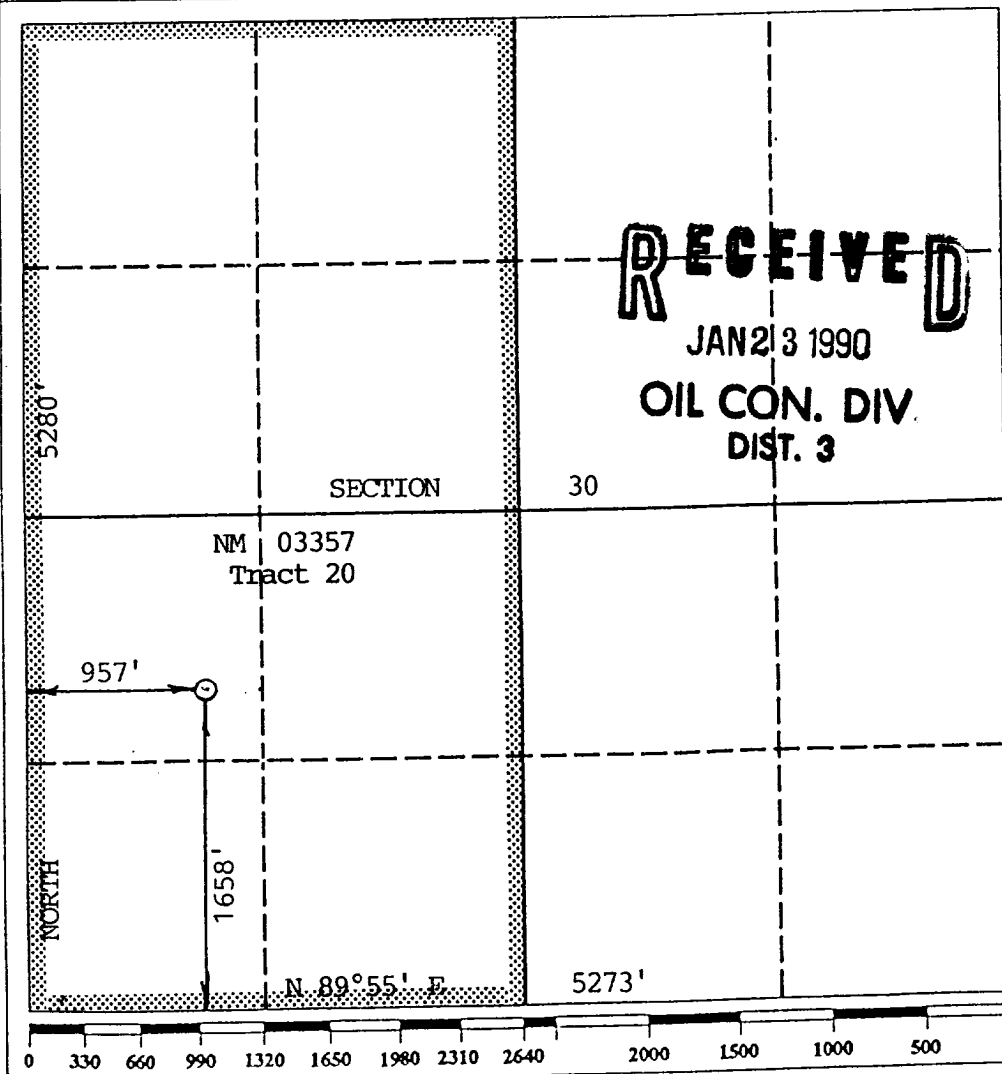
Signature & Seal of Professional Surveyor

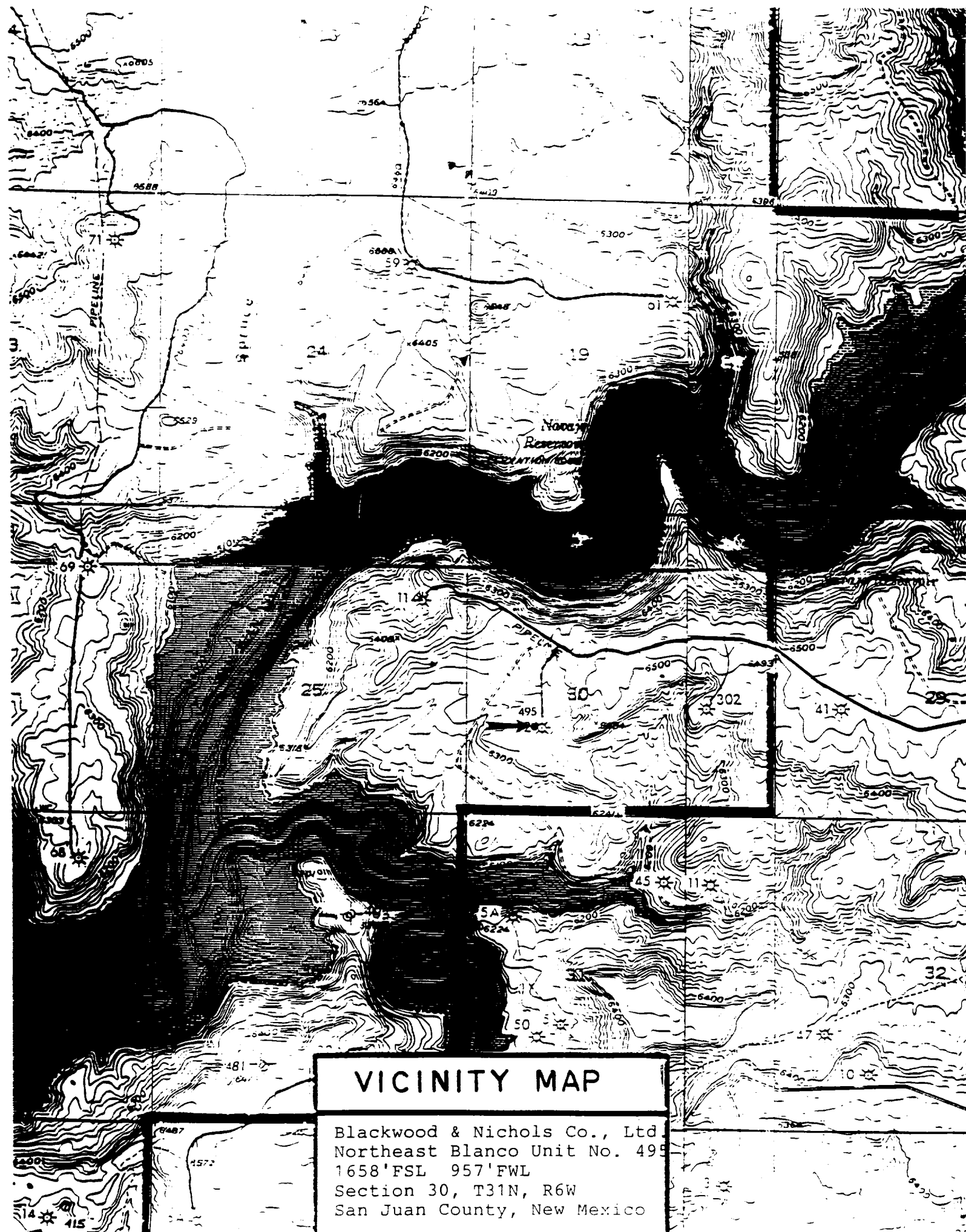
9673

R. Howard Daggett

Certificate No.

9673
Registered Professional
Land Surveyor





VICINITY MAP

Blackwood & Nichols Co., Ltd.
Northeast Blanco Unit No. 495
1658' FSL 957' FWL
Section 30, T31N, R6W
San Juan County, New Mexico