

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-045-25409

5. LEASE DESIGNATION AND SERIAL NO.
SF 079045

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
NEBU Agreement #1

Sec. 929

8. FARM OR LEASE NAME
Northeast Blanco Unit

9. WELL NO.
78

10. FIELD AND POOL, OR WILDCAT
Blanco Mesaverde

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
M-21-31N-7W

12. COUNTY OR PARISH
San Juan

13. STATE
New Mexico

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

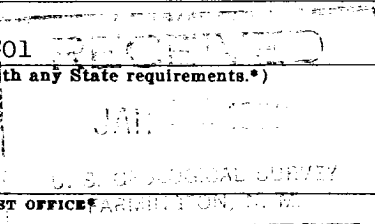
1a. TYPE OF WORK
DRILL DEEPEN PLUG BACK

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 81301

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface 990' F/SL - 990' F/WL
At proposed prod. zone Same



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

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

16. NO. OF ACRES IN LEASE
2056.12

17. NO. OF ACRES ASSIGNED TO THIS WELL
 320.00

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

19. PROPOSED DEPTH
6030'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
6402' GL

22. APPROX. DATE WORK WILL START*
May 12, 1982

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"	32.40# H-40	250' new	Circulate
8 3/4"	7"	23.00# K-55	3645' new	Cover Ojo Alamo
6 1/4"	4 1/2"	10.50# K-55	3445'-6030' "	To top of liner

- NTL-6
- (3) San Jose
 - (6) Ojo Alamo 2220'; Kirtland 2360'; Lewis 3450'; Cliffhouse 4925'; Mancos 5760'.
 - (7) Fruitland 3010'; Pictured Cliffs 3305'; Massive Cliffhouse 5245'; Menefee 5350'; Point Lookout 5580'.
 - (9) 9 5/8" surface; 250 sacks Class B cement with 2% CaCl₂; circulate to surface. 7" intermediate; 200 sacks Lite cement with 1/4# flocele per sack followed with 100 sacks Class B cement with 2% CaCl₂ and 1/4# flocele/sack in order to bring cement up behind 7" casing to approximately 1600' to cover the Ojo Alamo formation. 4 1/2" liner; 300 sacks 50-50 Pozmix with 2% Gel, 0.6% CFR, 1/4# flocele per sack and 6 1/4# Gilsonite per sack to circulate cement at top of liner at 3210'.
 - (10) A 3000 PSI WP; Series 10" - 900 - adapted to Series 10" - 600 and 6" - 600 hydraulic blowout preventer equipped with blind and necessary pipe rams will be used with adequate kill and bleed off lines. Blowout preventer will be pressure tested after (over)

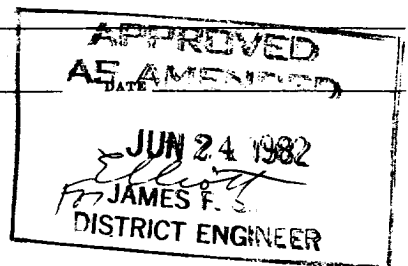
IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. DeLasso Loos SIGNED DeLasso Loos TITLE District Manager DATE January 15, 1982

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____
CONDITIONS OF APPROVAL, IF ANY: _____



ok7

Instructions

General: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Item 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

Items 15 and 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

Item 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

★ U.S. GOVERNMENT PRINTING OFFICE: 1974-781-025/VIII-239

(continued)

- (11) 9 5/8" and 7" casing is set and will be tested as to operating condition during each trip while drilling. A rotating blowout preventer will be used while drilling with gas. (See schematic diagram)
- (12) A water base drilling mud of sufficient weight to control the Fruitland Formation will be used while drilling the 8 3/4" hole.
- (13) Compensated Density Gamma Ray-Neutron logs will be run in open hole. No testing or coring is anticipated.
- (14) Normal Fruitland field pressures are anticipated to be controlled with sufficient weighted mud. No hydrogen sulfide is anticipated.



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.

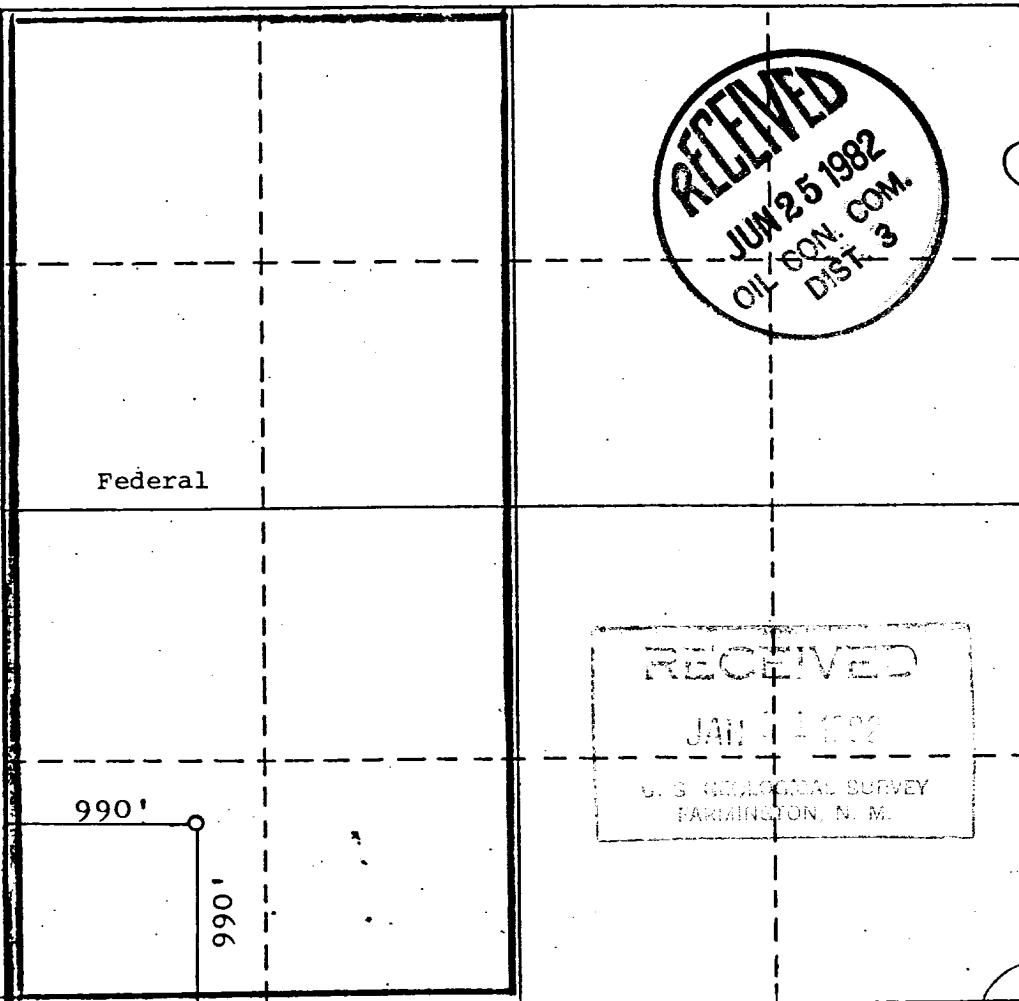
Operator BLACKWOOD & NICHOLS		Lease NORTHEAST BLANCO UNIT		Well No. 78
Unit Letter M	Section 21	Township 31 N.	Range 7W., N.M.P.	County SAN JUAN
Actual Footage Location of Wells 990 feet from the south line and 990 feet from the west line				
Ground Level Elev: 6402 U.G.	Producing Formation Mesaverde	Pool Blanco-Mesaverde	Dedicated Acreage: W 320 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

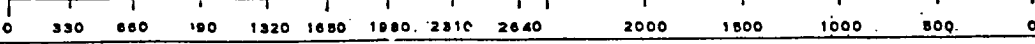
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

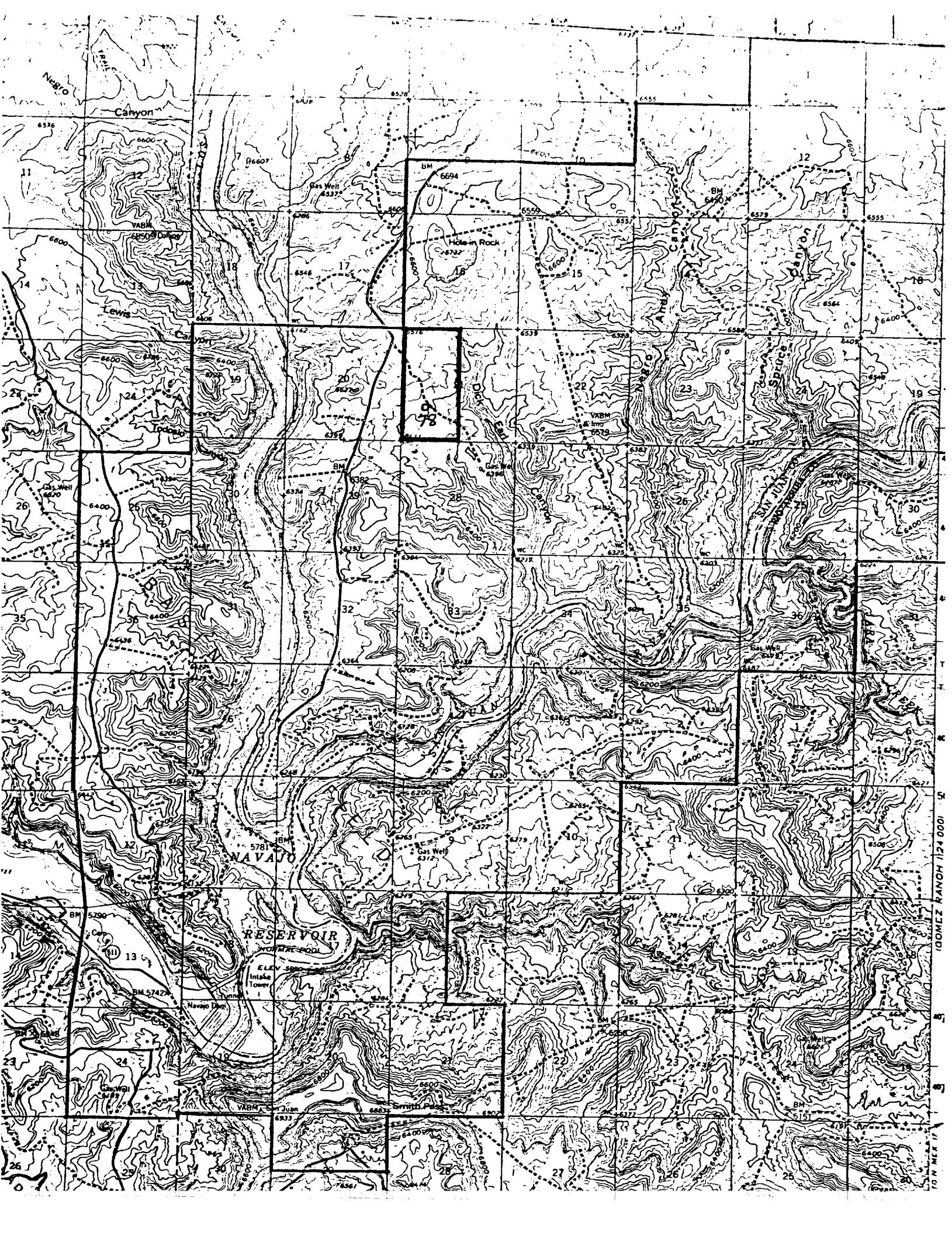
DeLasso Loos

Name
DeLasso Loos
Position
District Manager
Company
Blackwood & Nichols Co., Ltd.
Date
January 4, 1982

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
Nov. 5, 1981
Registered Professional Engineer and/or Land Surveyor
John A. Krosser
John A. Krosser, R.L.S.
Certificate No.
1941





Navajo Canyon

BM 6694

Hole-in-Rock

NAVAJO RESERVOIR

INTAKE TOWER

GOMEZ RANCH 124 000
10 N. NEX 14