

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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 ☐ FARMINGTON RESOURCE AREA FARMINGTON, NEW MEXICO 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 2255'FNL - 340'FWL

At proposed prod. zone same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 15 miles NE of Blanco, New Mexico

16. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 340'

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 100'

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6433'GL

16. NO. OF ACRES IN LEASE 1022.45

17. NO. OF ACRES ASSIGNED TO THIS WELL 250.65

10. PROPOSED DEPTH 3328'

20. ROTARY OR CABLE TOOLS Rotary

22. APPROX. DATE WORK WILL START* April 1, 1989

23. QUANTITY OF CEMENT 207 cuft to circulate

781 cuft to circulate

39 cuft to circulate

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH

12 1/4" 9 5/8" 36# 300'

8 3/4" 7" 23# 3050'

6 1/4" 5 1/2" 17# 3328'

Propose to spud in the San Jose formation. Will drill a 12 1/4" 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. Drill a 8 3/4" hole to a TD of 3050' using fresh water mud. No abnormal pressures or poisonous gases are anticipated. Casing will be run and cemented with cement returns to surface. WOC 12 hours. Test to 1500 psi. Drill a 6 1/4" hole to a TD of 3328' using water and air. Run a production liner. Liner may or may not be cemented, depending on hole conditions and wells natural producing ability.

RECEIVED
MAR 6 1989

Surface ownership is State. A copy of Blackwood & Nichols surface lease bond is attached.

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.

SIGNED William F. Clark TITLE Operations Manager DATE Jan 23, 1989

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____

CONDITIONS OF APPROVAL, IF ANY:

A-8889 (ASLTNSP)

*See Instructions On Reverse Side

APPROVED
AS AMENDED

MAR 2 1989

AREA MANAGER

OIL CONSERVATION DIVISION

P. O. BOX 2088

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

SANTA FE, NEW MEXICO 87501

Form C-102
Revised 10-1-78

All distances must be from the outer boundaries of the Section.

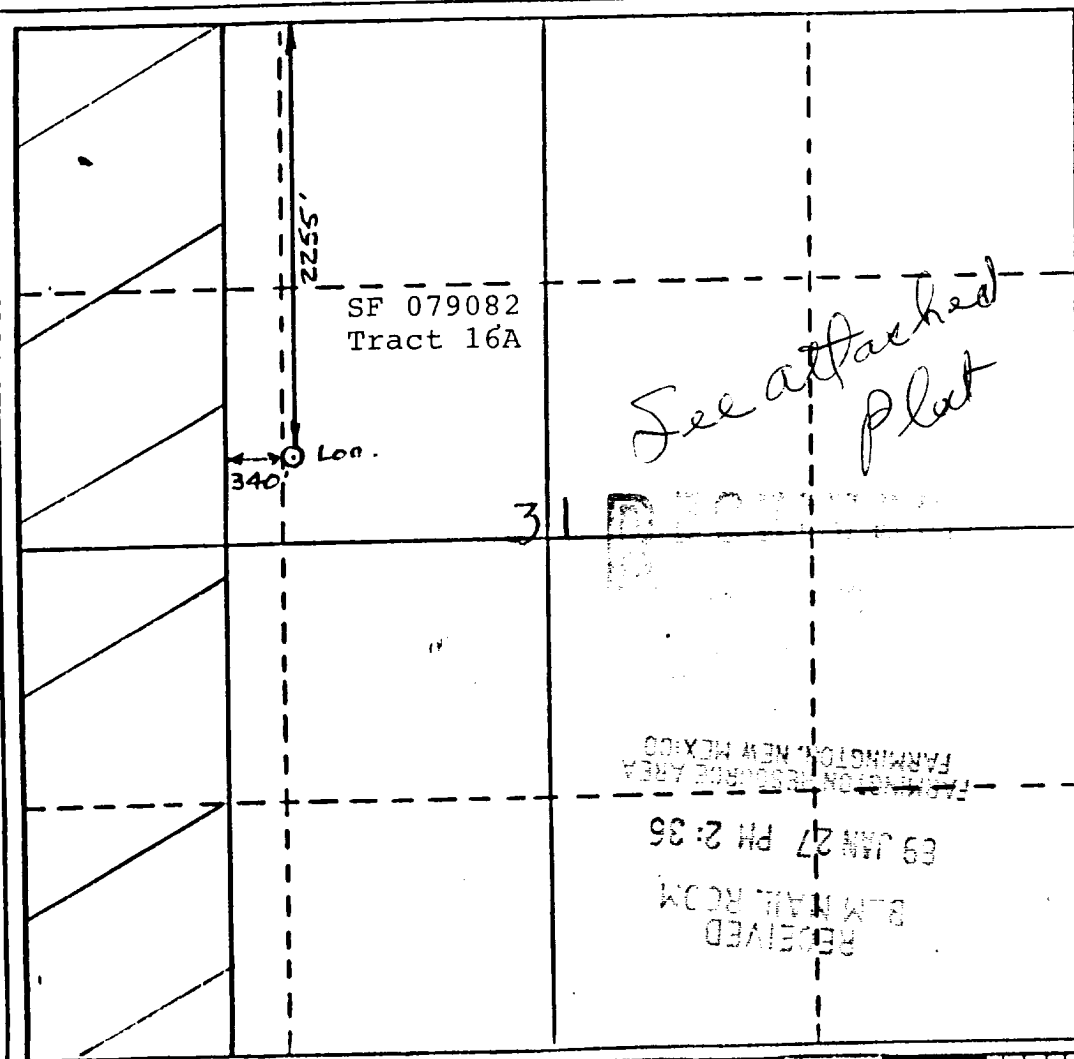
Operator Blackwood & Nichols Co. Ltd.		Lease Northeast Blanco Unit		Well No. 457
Unit Letter F	Section 31	Township 31 North	Range 7 West	County San Juan
Actual Postage Location of Wells 2255 feet from the North line and 340 feet from the West line				
Ground Level Elev. 6433	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal	Dedicated Acreage: 250.65 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
Note: See attached plat for acreage dedication
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). The SW/4 and S/2 of the NW/4 of Section 30 will be dedicated to this well. Same lease number.
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 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 interests, has been approved by the Division



CERTIFICATION

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

William F. Clark
Name

Position
Operations Manager

Company
Blackwood & Nichols Co.

Date
June 23, 1989

I hereby certify that the location shown on this plat was obtained from field notes of actual survey made by me or under my supervision, and that the same is true and correct to the best of my knowledge.

Neale C. Edwards
Date Surveyed
11/21/88

Registered Professional Engineer
and/or Land Surveyor

Neale C. Edwards

Certificate No.

R. 8 W.

R. 7 W.

Case #1005
Order #R-749

T.

Case #1006 31
R-750-A

N.

Case #1007
R-751

Case #1008
R-752

30

N.

Case #1009
R-753


—PORTION OF—
**NORTHEAST
BLANCO
UNIT**

**SAN JUAN & RIO ARriba
COUNTIES**

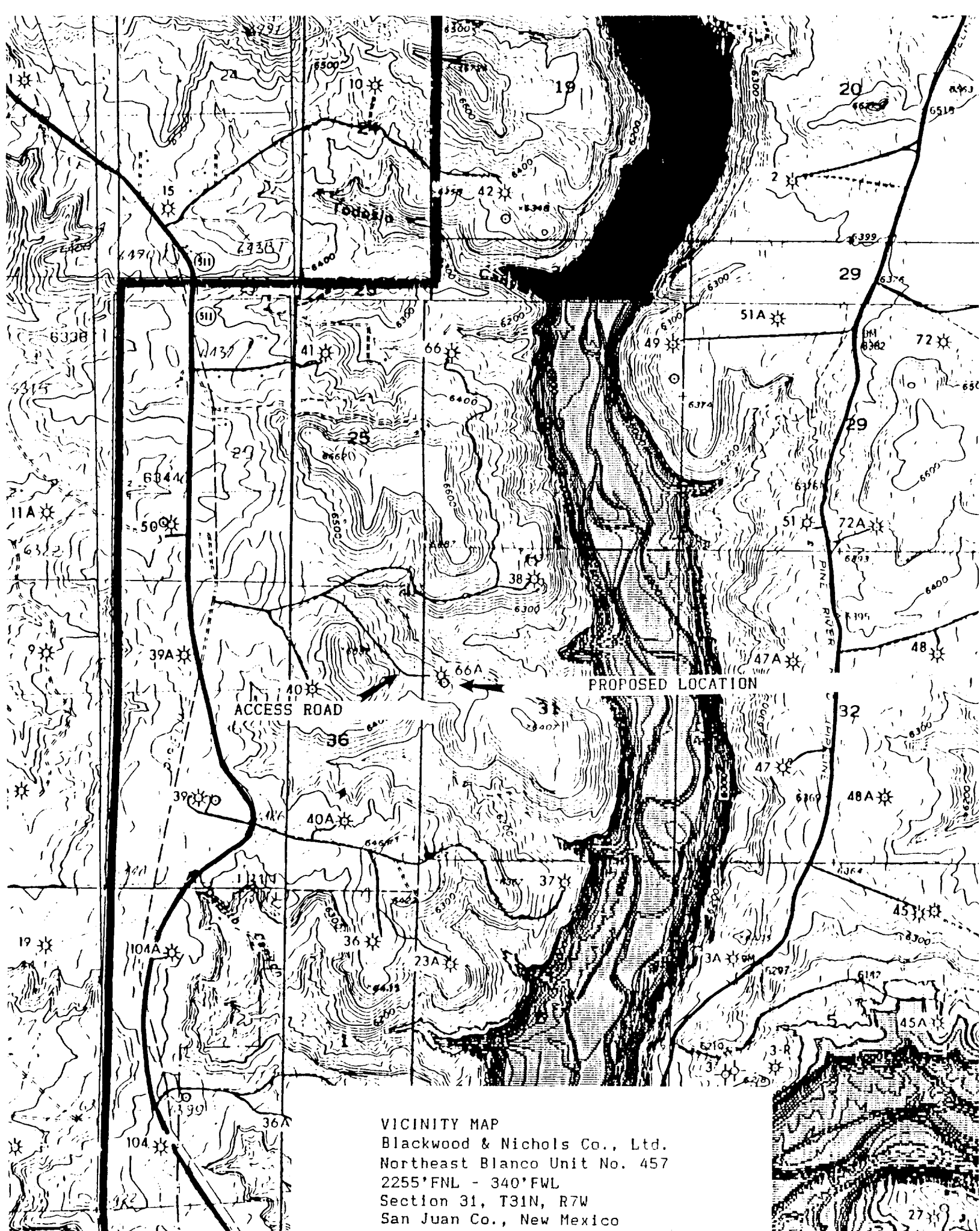
NEW MEXICO

- Completed Oil Well
- Location of Drilling Well
- ◇ Dry Hole
- Abandoned Location
- ◆ Gas Well

SCALE: 1" = 3000'

 DAM SITE

□ - Dedicated Acreage



VICINITY MAP
 Blackwood & Nichols Co., Ltd.
 Northeast Blanco Unit No. 457
 2255'FNL - 340'FWL
 Section 31, T31N, R7W
 San Juan Co., New Mexico