

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 ☐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 surface1035'FNL - 1305'FEL
At proposed prod. zone

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

17.5 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)

1035'

16. NO. OF ACRES IN LEASE

2056.12

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.

3900'

19. PROPOSED DEPTH

3400'

20. ROTARY OR CABLE TOOLS

Rotary

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

6445' GL

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED

22. APPROX. DATE WORK WILL START*

May 15, 1989

23. PROPOSED CASING AND CEMENTING PROGRAM This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4.

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	
12 1/4"	9 5/8"	36#	300'	207 cuft. to circulate
7 7/8"	5 1/2"	17#	3400'	1077 cuft. to circulate

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. Drill a 7 7/8" hole to a TD of 3400' using fresh water mud. No poisonous gases are anticipated. Weighted mud will be used to drill the Fruitland coals. Logs will be run at TD. Casing will be run and cemented using a two stage cement job, with cement returns to surface. The drilling rig will be released and a completion unit moved on. Cased hole bond and correlation logs will be run. The Fruitland coals will be perforated and frac'd using a fresh water based gel fluid.

RECEIVED

MAY 30 1989

OIL CON. DIV.

DIST. 3

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 May 10, 1989

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____

CONDITIONS OF APPROVAL, IF ANY:

APPROVED
AS AMENDED

MAY 25 1989

John S. Kelly
AREA MANAGER

*See Instructions On Reverse Side

MOCD

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. 408
Unit Letter A	Section 20	Township 31 North	Range 7 West	County San Juan	
Actual Footage Location of Well: 1035 feet from the North line and 1305 feet from the East line					
Ground level Elev. 6445'	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

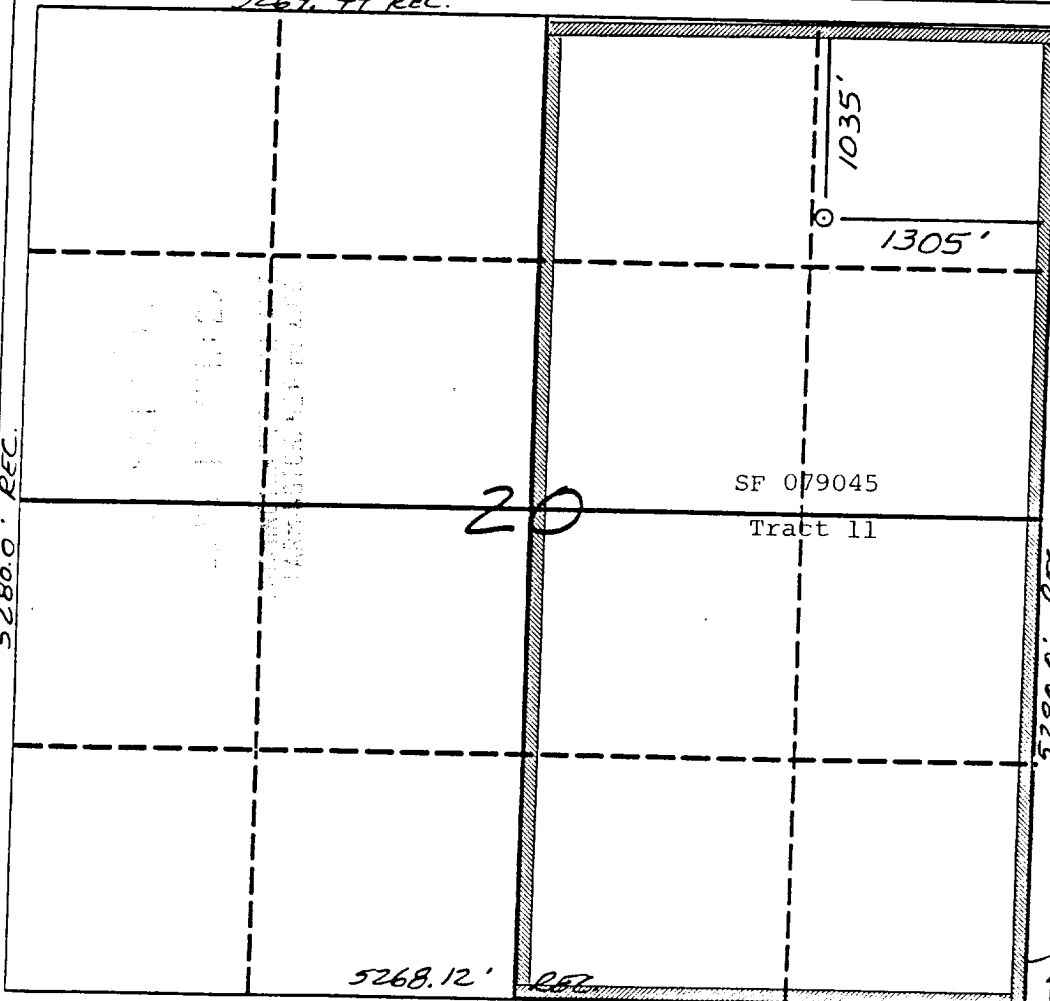
If answer is "yes" type of consolidation

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.

5269.44' REC.



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

May 10, 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

May 10, 1989

Signature and Seal of
Professional Surveyor

Certificate No.

6857

