

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Submit in Triplicate

Form approved
Budget Bureau No. 1004-0435
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use - Application For Permit- for such proposals.)

1. Type of Well: oil well _____ gas well X other _____

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, in accordance with any State requirements)*

At surface

At top prod. interval reported below 1135' FNL, 1125' FEL

At total depth

5. Lease Designation & Serial #: NM-03358

6. If Indian, Allottee/Tribe Name

7. Unit Agreement Name: Northeast Blanco Unit

8. Farm or Lease Name: Northeast Blanco Unit

9. Well No.: 458

10. Field and Pool, or Wildcat: Basin Fruitland Coal

11. Sec., T., M., or Block and Survey or Area: Sec. 13, T31N, R7W

12. County or Parish: San Juan 13. State: NM

14. Permit No.: 30-045-27475

15. Elevations (Show whether DF, RKB, RT, GR, Etc) 6505' GL

16. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

- Test Water Shut-off _____
- Fracture Treat _____
- Shoot or Acidize _____
- Repair Well _____
- Other _____

- Alter Casing _____
- Multiple Complete _____
- Abandon* _____
- Change Plans _____
- Water Shut-off _____
- Fracture Treatment _____
- Shooting or Acidizing _____
- Other: COMPLETION X

(Note: Report results of multiple completion on Well Completion or Recompletion Report Log form.)

17. DESCRIBE PROPOSED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

12-14-89 Move in and rig up. Test 7" casing and blind rams to 2000 psi - tested OK.

12-15-89 Picked up 6-1/4" bit 4-3/4" drill collars. TIH with 3-1/2" drill pipe. Found cement at 3016'. Drilled out to 3060'. Pressure tested BOP pipe rams - leak; repaired. Pressure tested 7" casing, pipe rams to 2000 psig for 30 minutes - held OK. Drilled casing shoe at 3068'.

Drilled formation from 3068' to 3235' with water. Drilled coal zones at 3098-3099' (1'); 3153-3154' (1'); 3156-3161' (5'); 3205-3209' (4').

12-16-89 Continued drilling open hole formation from 3235' to 3441' with 6-1/2 BPM water. Coal zones at: 3098-3099' (1'); 3153-3154' (1'); 3156-3161' (5'); 3205-3209' (4'); 3255-3260' (5'); 3263-3264' (1'); 3272-3273' (1'); 3301-3305' (4'); total coal 22'.

Circulated hole clean with water. Moderate returns of coal fines and black water. Stopped water and circulated hole with air, returns light coal. Estimated water production 50 BWD.

(Continued on Page 2)

18. I hereby certify that the foregoing is true and correct.

Signed: William F. Clark William F. Clark

Title: Operations Manager

Date: 23 Jan '90

ACCEPTED FOR RECORD

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE FEB 09 1990

* See Instructions on Reverse Side FARMINGTON RESOURCE AREA

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency or the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.