State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

OIL CONSERVATION DIVISIÓN

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL API NO. 30-045-27536

5. Indicate Type of Lease

DISTRICT III 1000 Rio Brazos Rd., Aziec, NM 87410			<i>.</i> /	STATE FEE
			1	6. State Oil & Gas Lease No. NM-03358
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" (FORM C-101) FOR SUCH PROPOSALS.)				7. Lease Name or Unit Agreement Name Northeast Blanco Unit
1. Type of Well: OH. WELL.	GAS WELL X	OTHER		
2 Name of Operator Blackwood & Nichols Co., Ltd.				8. Well No
P. O. Box 1237, Durango, Colorado 81302				9. Pool name or Wildcat Basin Fruitland Coal
4. Well Location Unit Letter	1) : 805 Feet From	m The South	Line and1370	Feet From The West Line
Section	1 Townshi	p 31N R D. Elevation (Show whether 6557' GL	tange 7W] r DF, RKB, RT, GR, etc.)	NIMPM San Juan County
11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data				
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:				
PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK				ALTERING CASING
TEMPORARILY ABANDON CHANGE PLANS COMMENCE DRILLING			OPNS. PLUG AND ABANDONMENT	
PULL OR ALTER CASING CASING			CASING TEST AND CE	MENT JOB
OTHER: <u>00</u>	m PLETION	🛛	OTHER:	
12. Describe Proposed work) SEE RULE 1-24-90		igged. Picke	ed up 6-1/4"	Smith DECEIVE
1-25-90	Test blind rams, to 2000 psi. Pick bottomhole assembly and 3-1/2" drill pipe.			k up MAR1 41990
BHA:6-1/4" Smith FDT bit (jets: 20-20-20) Bottomhole drill collar with float Float sub with 2 floats Ten 4-3/4" drill collars; 1 jt drill pipe F nipple (2.25" I.D.); 3-1/2" sub Total length less drill pipe: 327.66'				
I hereby certify that the information above is true and complete to the best of my knowledge and belief.				
SKONATURE	William +	lace T	ne Operations Mai	nager pare March 12, 1990
TYPE OR FRINT NAME	William F. Clark			TELEPHIONE NO. 247-0728
(Thus space for State Use)				

TITLE -

Original Signed by FRANK T. CHAVEZ

MUNERVISON DISTRICT

APPROVED BY-

MART 41990 OIL CON. DIV.

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John T MAN of here's brages

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- 1-25-90 Test pipe rams, and 7" casing to 2000 psi. Drill cement and shoe at 3198'
- (Cont.)

 Drill Fruitland coal with 8000# WOB, 100 RPM, 1000 psi @ 7 BPM.
- 1-26-90 Drilled Fruitland coal to 3462'.

Circulate at TD. Put on air with water. Returns black coal dust. Circulate at TD with 2 MM air, 3 BPM water @ 300 psi, no torque, no drag. Returns clear water, no coal, no shale, no gas increase.

Coal Intervals: 3253-3257' (4'); 3258-3270' (12'); 3271-3273' (2'); 3275-3286' (11'); 3288-3302' (14'); 3319-3321' (2'); 3332-3334' (2'); 3358-3364'(6'); 3370-3371' (1'); 3440-3445' (5'); 3449-3451' (2');3453-3459' (6'): total 67' coal.

1-27-90 Circulate at TD with air and water; no torque, no drag, clear water returns. Test well through 2" pitot: 1756 MCFD (wet).

Shut in; 2 hrs - 500 psi. Blew down.

- 1-28-90 Work pipe at TD of 3462' with air and water. Gauge well through 2" line: 1 hr 1756 MCFD (wet). Shut in for pressure build up: 2 hrs 940 psi. Blew down through choke, TIH, no fill. Water production 16 BPH, 384 BPD.
- 1-29-90 Work pipe at TD of 3462' with air and water. Hole caved in. Returns heavy 3/4" and smaller coal.
- 1-30-90 Worked pipe 3263-3295', hole sticky, torquing; heavy coal in returns.

Circulated down to 3389' with air and water. Returns heavy coal diminishing to light coal and clear water.

- 1-31-90 Working pipe at TD with water. Returns light coal fines.
- 2-01-90 Working pipe at TD with 200 psi back pressure; air and water. Short trip into 7" casing, flow well out blooie line; making light coal and water.

 Clean out 3295-3462'.
- 2-02-90 Load hole with water. Short trip to 7" casing. Trip to TD, no fill. Rig up snubbing equipment. Test 3 sets pipe rams to 2000 psi, held OK.
- 2-03-90 Snub drill pipe out of hole; snubbed drill collars out. Rigged up and snubbed 5-1/2" liner in to hole. Set liner hanger and packed off. Preparing to TOH with drill pipe.

Ran 9 joints (314.66') 5-1/2" 23.0# L-80 new Kawaski casing with a TIW 7" x 5-1/2" liner hanger (5.40') for a total liner length of 321.61'. Liner has 4-full predrilled and plugged perforated joints and 1-half joint; 8 HPF, 0.625" holes. Also 3-full and 1-half blank joints. Liner Summary: Top at 3139', Bottom at 3461', with a 58' overlap in the 7" casing. Perforations: 3243' to 3381' and 3420' to 3460'.

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2-04-90 Rigged down Cudd Pressure Control. Picked up 4-1/2" plug and mill tubing.

Mill perf plugs from 3247 to 3464' with water and well flowing through 3/4" fixed choke holding 80 psig backpressure. Circulate well clean at 3464'; note the tubing measurements found the top of the liner and the perforations 4' deeper than reported.

- 2-04-90 Well flowing through 3/4" choke line. Rigged up and chemically cut the 2-7/8" tubing, leaving a 4-1/2" mill, bit sub and a 5' stub of 2-7/8" tubing in the bottom of the hole.
- 2-05-90 Well flowed back through 3/4" fixed choke for 10 hours; making slugs of water and some gas. FCP varied from zero to 100 psig. Unable to obtain meaningful final gauge.

Completion gauge from 1-28-90: 2" pitot after 1 hour -8 psig, 1756 MCFD (wet gauge). Water production gauged at 384 BWD.

Ran 109 jts (3347.54') 2-7/8" 6.5# J-55 new FBN Siderca tubing which is open ended at 3362' and 2.25" F nipple at 3336'. Left bottom of 5-1/2" liner, 4-1/2" plug mill (0.73'), bit sub (3.05'), and 5' of tubing; total 8.78'.

Finished rigging down. Rig Released.