

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-045-27707

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 surface
415'FNL - 1215'FEL
At proposed prod. zone
Same

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

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 415'

16. NO. OF ACRES IN LEASE 2560.00

17. NO. OF ACRES ASSIGNED TO THIS WELL E/320

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 400'

19. PROPOSED DEPTH 3280'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
6323 (U.G.) This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.2

22. APPROX. DATE WORK WILL START*
April 1, 1990

5. LEASE DESIGNATION AND SERIAL NO.
SF079003

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
Northeast Blanco

8. FARM OR LEASE NAME
Northeast Blanco Unit

9. WELL NO.
468

10. FIELD AND POOL, OR WILDCAT
Basin Fruitland Coal

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
A
Sec. 35, T31N, R7W

12. COUNTY OR PARISH
San Juan

13. STATE
NM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8"	36#	300'	295 cuft/circulate to surface
8 3/4"	7"	23#	2940'	940 cuft/circulate to surface
6 1/4"	5 1/2"	17#	2840'=3280	39 cuft/circulate to liner top

Propose to spud in the San Jose formation. Will drill a 12 1/4" hole to a TD of 300'. Run surface casing and cement with cement returns to surface. WOC 12 hours. Test to 600psi/30 mins. Drill a 8 3/4" hole to a TD of 2940' usinf fresh water mud. No poisonous gases or abnormal pressures are anticipated. Run intermediate casing and cement with cement returns to surface. WOC 12 hours. Test to a 1500 psi/30 mins. Drill a 6 1/4" hole to a TD of 3280' using water and air. Run a mud logging unit while drilling this interval. Run the production liner. The liner will be cemented if the wells natural flow capacity indicates the need for fracture stimulation.

Surface ownership is Bureau of Reclamation

RECEIVED
APR 02 1990

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present or 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.

OIL CON. DIV.
DIST. 3

24. SIGNED William F. Blair TITLE Operations Manager DATE 23 Feb 90

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____

CONDITIONS OF APPROVAL, IF ANY:

APPROVED
AS AMENDED
MAR 28 1990
Ken Townsend
AREA MANAGER

NMOCD

*See Instructions On Reverse Side

Hold 2-114 FOR NSL
9

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-55

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

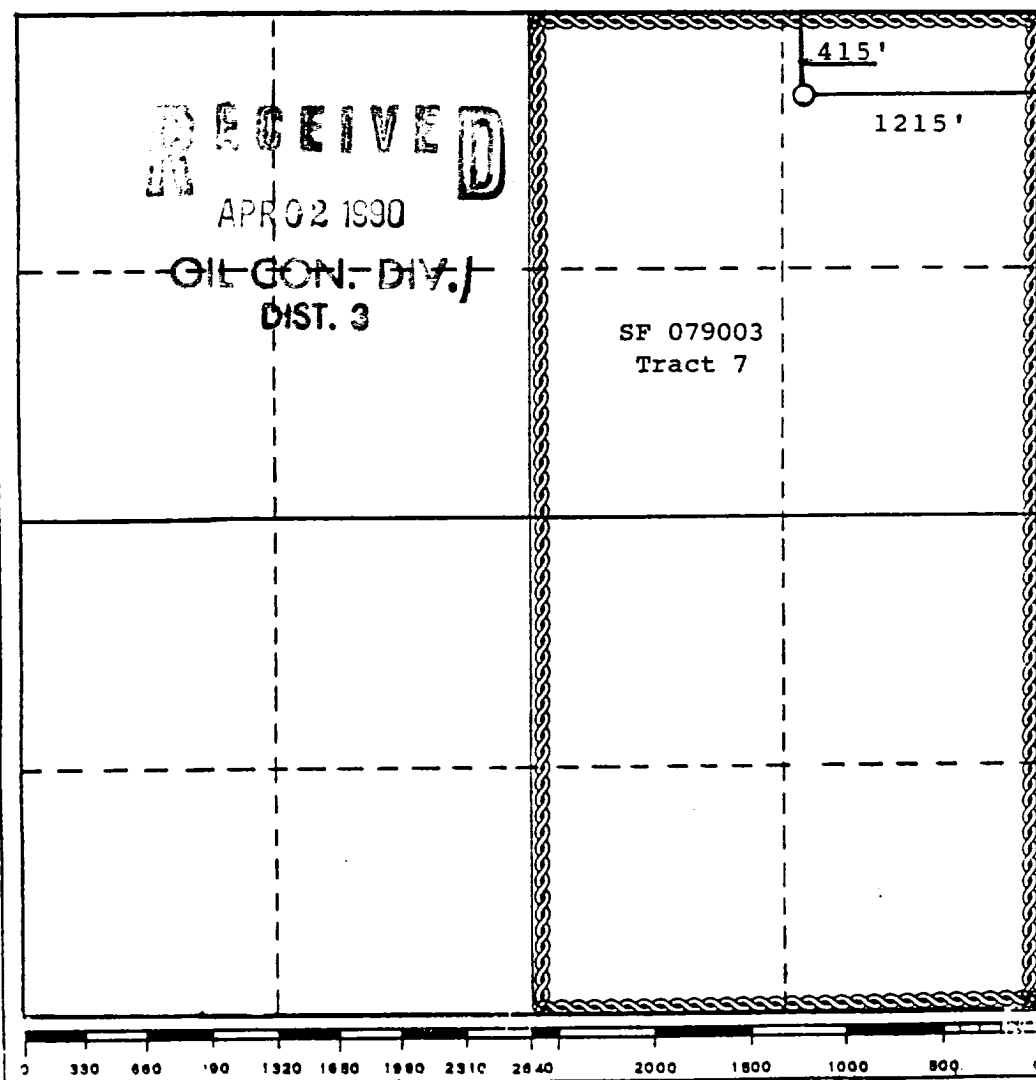
Operator BLACKWOOD & NICHOLS CO., LTD.			Lease NORTHEAST BLANCO UNIT		Well No. 468
Unit Letter A	Section 35	Township 31 North	Range 7 West	County San Juan County	
Actual Footage Location of Well: 415 feet from the north line and 1215 feet from the east line					
Ground Level Elev: 6323 (U.G.)	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal	Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or 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.

William F. Clark

Name
William F. Clark

Position
Operations Manager

Company
Blackwood & Nichols Co.

Date
December 7, 1989

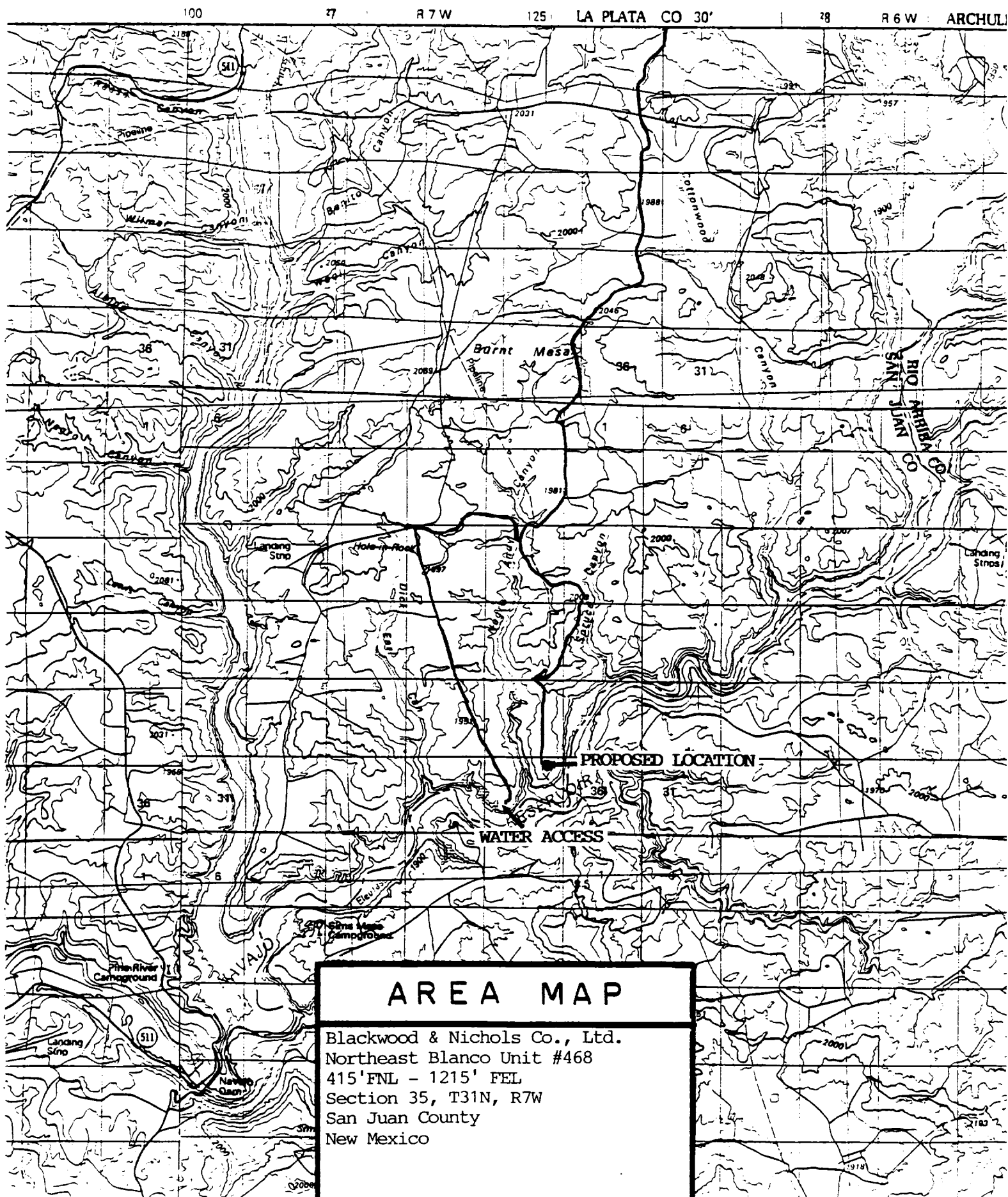
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
November 14, 1989

Registered Professional Engineer
and/or Land Surveyor
Allison L. Kroeger
Allison L. Kroeger, PLS

Certificate No.

7922



AREA MAP

Blackwood & Nichols Co., Ltd.
Northeast Blanco Unit #468
415' FNL - 1215' FEL
Section 35, T31N, R7W
San Juan County
New Mexico



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

ARREY CARRUTHERS
GOVERNOR

1100 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-0178

Date: 2-7-90

Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

Re: Proposed MC _____
Proposed DIIC _____
Proposed NSL X _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated 2-28-90

for the Blackwood + Nichols Co., LTD N.E.B.L. #468
Operator Lease & Well No.

A-35-31N-7W and my recommendations are as follows:
Unit, S-T-R

Approved

Yours truly,

Ernie Busch

etc

BLACKWOOD & NICHOLS CO., LTD.
P.O. BOX 1237
DURANGO, COLORADO 81302-1237
(303) 247-0728

February 19, 1990

RECEIVED
FEB 28 1990
OIL CON. DIV
DIST. 3

Mr. William LeMay
New Mexico Oil Conservation Division
P.O.Box 2088
Santa Fe, New Mexico 87501

Re: Unorthodox Gas Well Location
Northeast Blanco Unit No. 468
415' FNL - 1215' FEL, Sec. 35, T31N, R7W
San Juan Co., New Mexico

Dear Mr. LeMay;

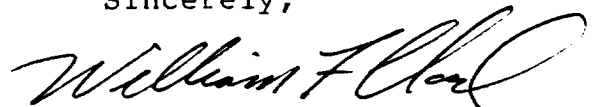
Blackwood & Nichols Co., Ltd. requests administrative approval of an exception to the footage requirements of Rule 7, R-8768 for the subject well, located in the Basin Fruitland Coal Pool.

This request is for exception due to topography. A Vicinity Map and C-102 are attached for your reference. Blackwood & Nichols investigated the possibility of a location at a standard footage location south of the existing NEBU # 68 but could not fit it in between the steep bluffs above Navajo Reservoir and the ROW for the two Northwest Pipeline Corp. mainlines that run adjacent to the location. This location is 3500' from the nearest Fruitland Coal well proposed by Blackwood & Nichols Co., Ltd. and 4200' from the nearest property line of an offset operator.

The east half of Section 35, T31N, R7W, will be dedicated to this well. Blackwood & Nichols Co., Ltd. has notified all operators of offset proration units of this request by certified mail.

Your prompt consideration of this request is appreciated.

Sincerely,



William F. Clark
Operations Manager
Blackwood & Nichols
Co., Ltd.

**NEW MEXICO OIL CONSERVATION COMMISSION
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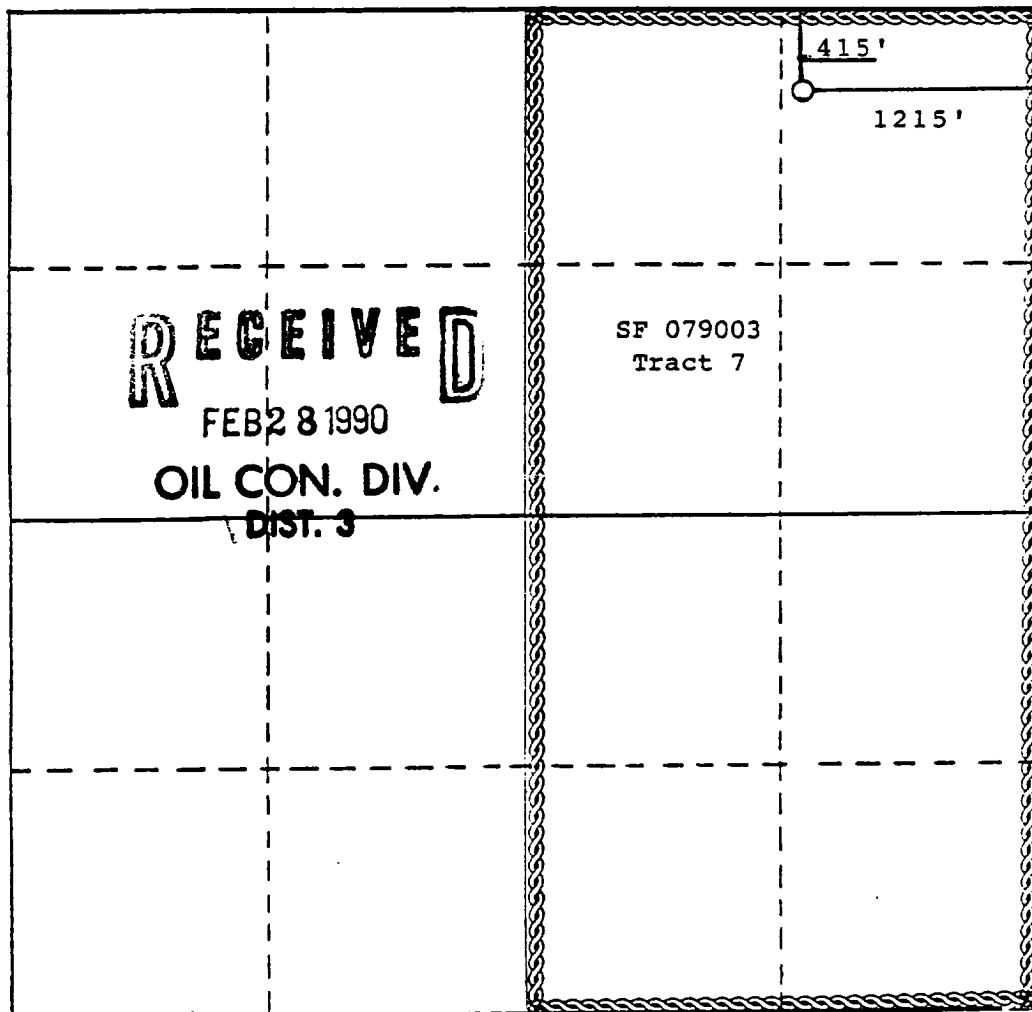
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William F. Clark

Name
William F. Clark

Position
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Company
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Date
December 7, 1989

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Date Surveyed
November 14, 1989

Registered Professional Engineer and/or Land Surveyor

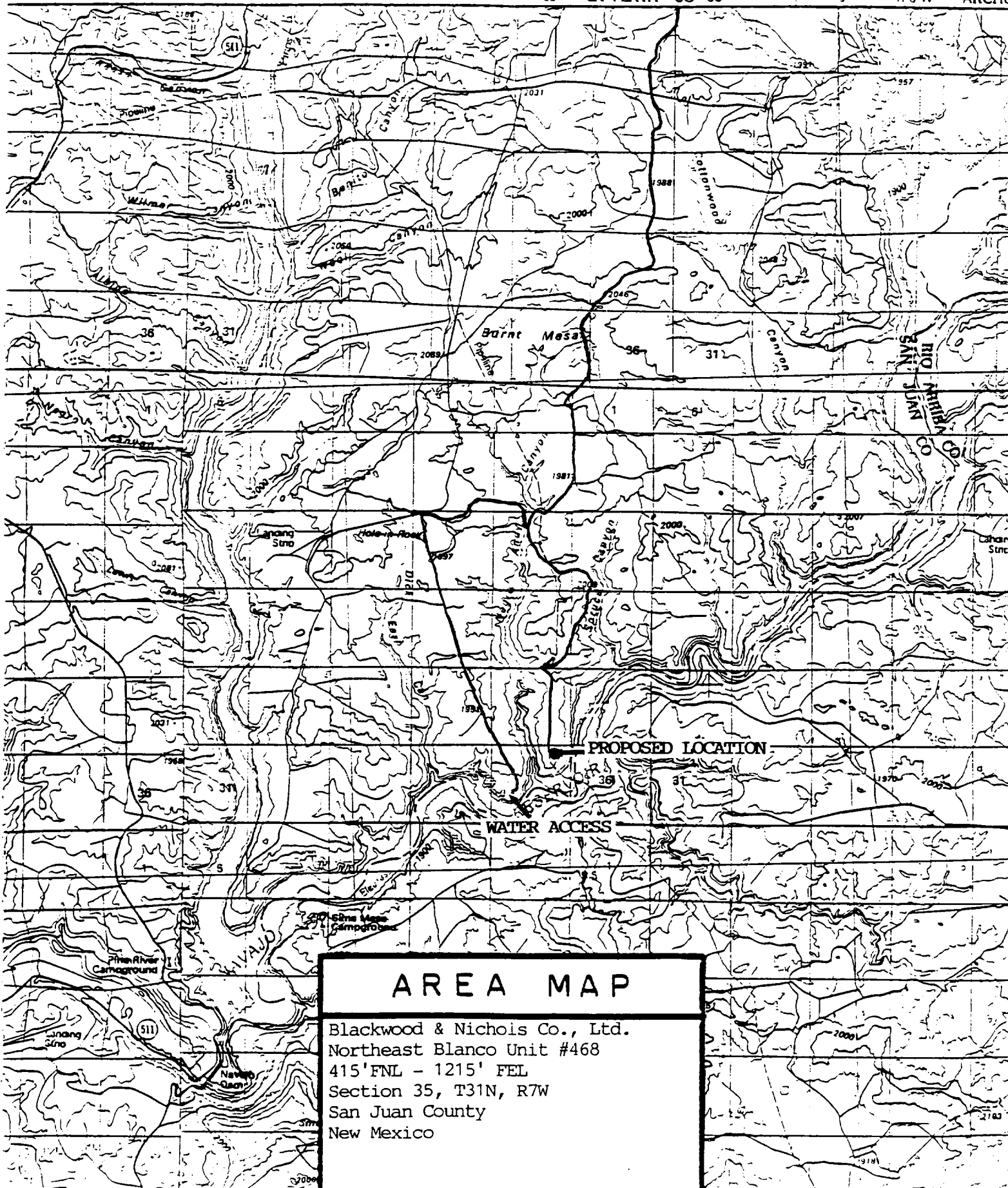
Allison L. Kroeger

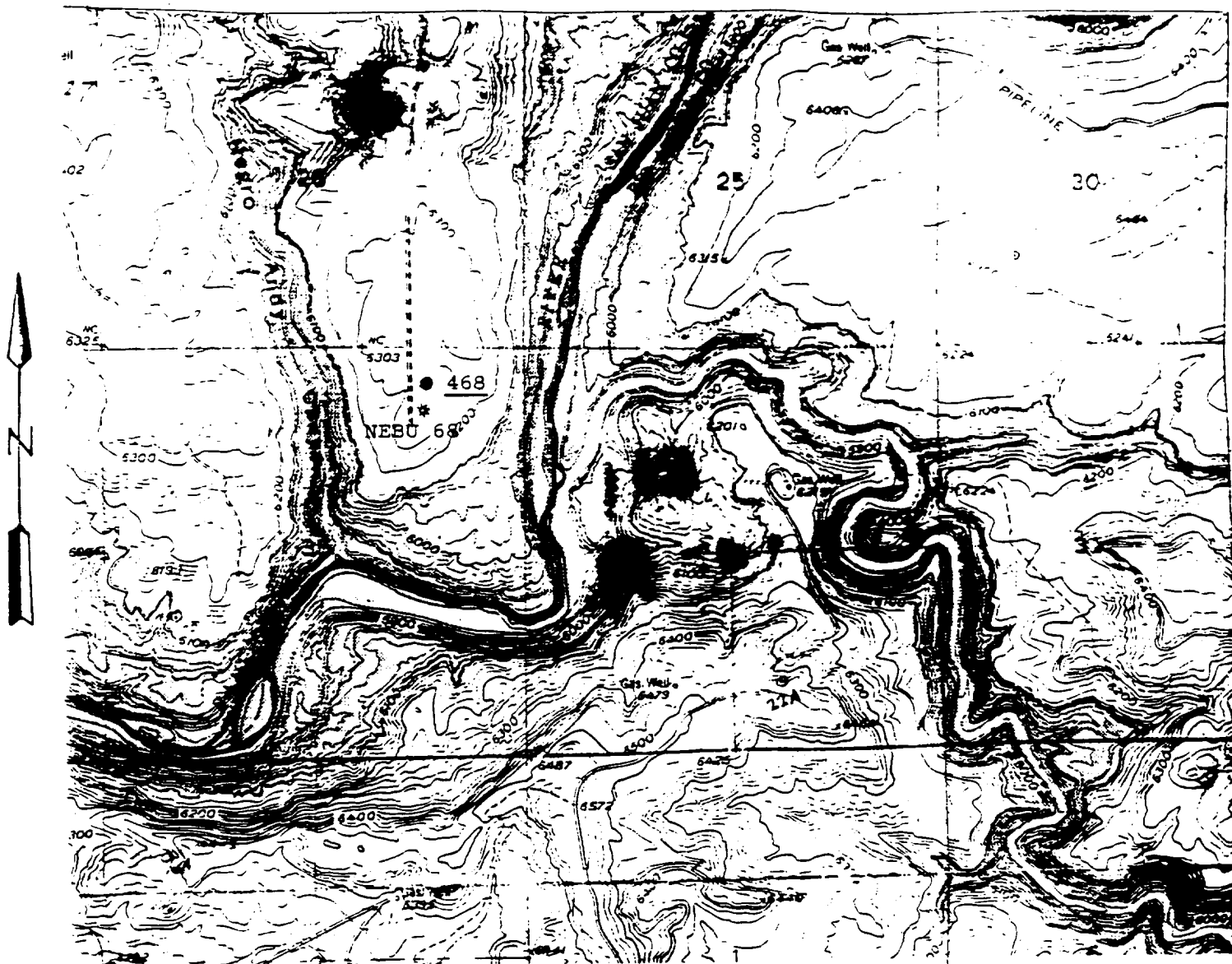
Allison L. Kroeger, PLS

Certificate No.

7922

0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600





R. 7W | R. 6W.
T. 31N
N.M.P.M.

BLACKWOOD & NICHOLS CO., LTD.

A R E A M A P

NEBU No. 468 in Sec. 35, T. 31N., R. 7 W.
N.M.P.M. - SAN JUAN COUNTY, N.M.

Date: November, 1989

Scale: 1"=2000'

DURANGO, COLO.