

UNITED STATES
DEPARTMENT OF THE INTERIORGEOLOGICAL SURVEY 30-045-28271

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 & 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
2490' FSL - 1140' FWLAt proposed prod. zone
Same

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

10 miles south of Allison, Colorado

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any) 1140'

16. NO. OF ACRES IN LEASE

2560

17. NO. OF ACRES ASSIGNED

TO THIS WELL
w/ 32018. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1508'

19. PROPOSED DEPTH

3557'

20. ROTARY OR CABLE TOOLS-

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
6633' UGLThis action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4.22. APPROX. DATE WORK WILL START*
August 15, 1990

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	GENERAL REQUIREMENTS OF CEMENT
12 1/4"	9 5/8"	36#	300'	295 cuft/circ to surface
8 3/4"	7"	23#	3190'	743 cuft/circ to surface
6 1/4"	5 1/2 or 4 1/2"	17#, 11.6#	3090' - 3557'	30 cuft/circ to liner top

Propose to spud in the San Jose formation. Will drill a 12 1/4" surface hole to a TD of 300'. Surface casing will be run and cemented with cement returns to surface. WOC 12 hours. Test to 1000 psi/30 minutes. Drill an 8 3/4" hole to a TD of 3190' using 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 1500 psi/30 minutes. Drill a 6 1/4" hole to a TD of 3557' using water and air. Run a mudlogging unit while drilling this interval. Run the production liner. A 4 1/2" liner will be cemented if the wells natural flow capacity indicates the need for fracture stimulation.

Surface ownership is Bureau of Land Management.

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

R.M. Williams

TITLE Administrative Manager

APPROVED 2/24/90

(This space for Federal or State use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

RECEIVED

SEP 24 1990

CON. DIV.

DIST. 3

NMOCD

*See Instructions On Reverse Side

SEP 19 1990
AREA MANAGER

Hold C-104 until well is
cemented or plugged @

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			Lease Northeast Blanco Unit		Well No. 400R
Unit Letter L	Section 7	Township 31 North	Range 6 West	County San Juan	

Actual Footage Location of Well:

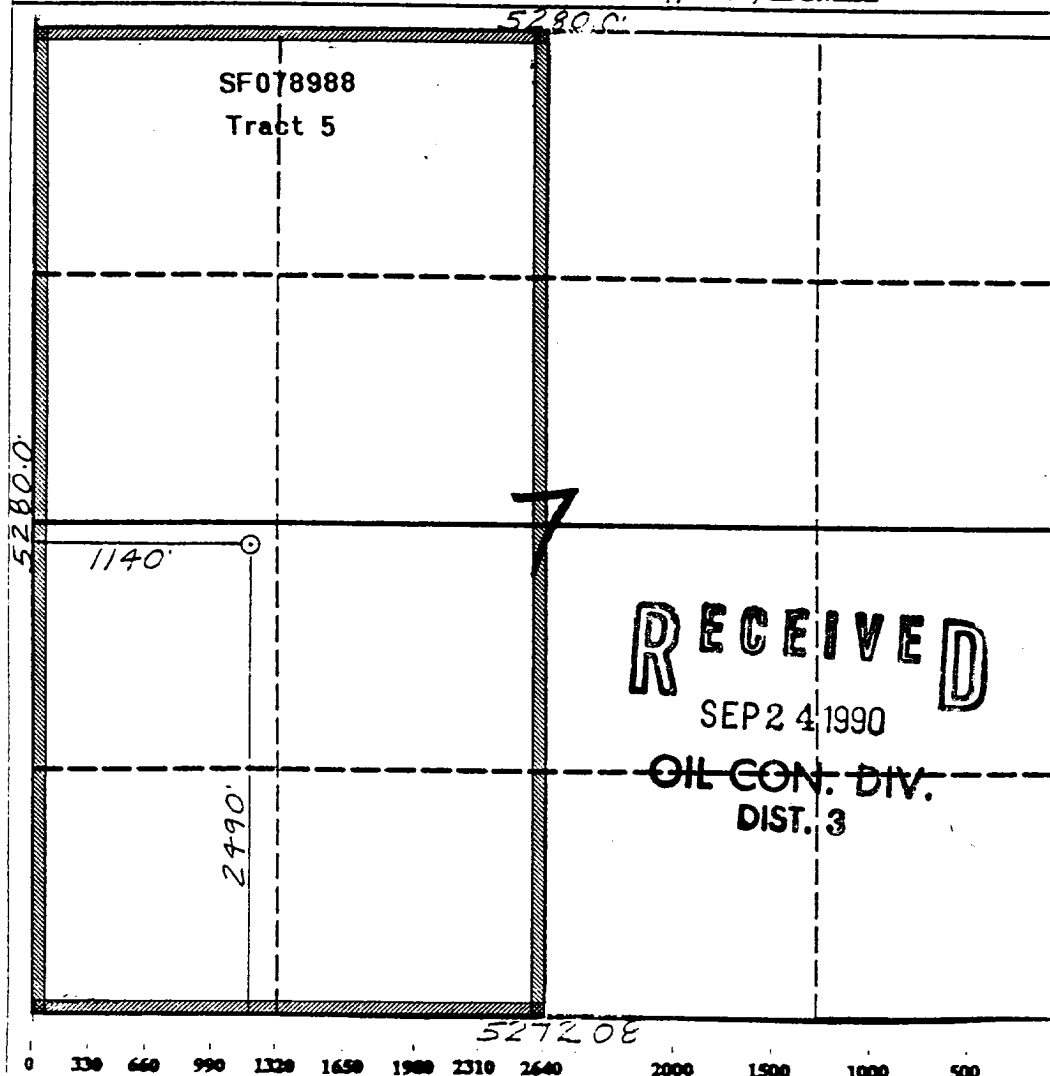
2490 feet from the South line and 1140 feet from the West line			
Ground level Elev. 6633'	Producing Formation Fruitland Coal	Pool Basin Fruitland Coal	Dedicated Acreage: 320 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or machine 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 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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature <i>R.W. Williams</i>
Printed Name R. W. Williams
Position Administrative Manager
Company Blackwood & Nichols Co.
Date 7/24/90

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 6-28-90
Signature of Surveyor <i>[Signature]</i>
Professional Seal NEW MEXICO 6857 REGISTERED LAND SURVEYOR
Certificate No. Neale Edwards