Form 3160-5
*(December 1989)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: September 30, 1990

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill, deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

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, CO 81302-1237

4. Location of Well: (Footage, Sec., T., R., M., or Survey Description)
1741' FNL, 379' FWL, Section 34, T31N, R7W (surface)
2135' FSL, 917' FWL, Section 34, T31N, R7W (bottom hole)

5. Lease Designation & Serial #: SF-079003

6. If Indian, Allottee/Tribe Name:

7. If Unit or CA, Agmt. Design.: Northeast Blanco Unit

8. Well Name and No.: N.E.B.U.# 404R

9. API Well No.: 30-045-28320

10. Field & Pool/Explty Area: Basin Fruitland Coal

11. County or Parish, State: San Juan, New Mexico

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
___ Notice of Intent	___ Abandonment	___ Change of Plans
	___ Recompletion	_XX_ New Construction
_XX_ Subsequent Report	___ Plugging Back	___ Non-Routine Fracturing
	___ Casing Repair	___ Water Shut-Off
___ Final Abandonment Notice	___ Altering Casing	___ Conversion to Injection
	___ Other:	

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

RECEIVED
NOV 20 1990
OIL CON. DIV
DIST. 3

13. DESCRIBE PROPOSED OR COMPLETED 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.)*

10-07-90 Spud 14-3/4" surface hole at 4:30 a.m., 10-07-90.
10-08-90 Drill to 306'. Circulate. POOH to run surface casing. Run 7 jts (303.05') 10-3/4" 40.5# WC50 L-55 casing, set at 301.05'. Run Texas pattern guide shoe and one centralizer. Cement with 425 sx (501 cf) Class B with 2% $CaCl_2$ and 1/4 #/sk cellophane. Circulate 25 Bbls cement to surface. Plug down at 10:30 p.m., 10-07-90. WOC 4 hours. Cut off casing. Weld on wellhead, nipple up.

Continued on attached pages

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

Signed: R.W. Williams ROY W. WILLIAMS Title: ADMINISTRATIVE MANAGER Date: 10/29/90

ACCEPTED FOR RECORD
NOV 15 1990
FARMINGTON RESOURCE AREA
BY

(This space for Federal or State office use)

Approved By ___ Title ___ Date ___
Conditions of approval, if any:

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.

10-09-90 Finish nippling up. Pick up BHA: bit no. 2, 9-7/8" Smith Tool Co., SDGH (jets: 12-12-12); bit sub; one 7" monel collar; four 7" drill collars; and 3 jts heavy weight pipe (OAL = 367'). Test pipe rams and casing to 1000 psi - held OK. Tag cement at 250', drill same. Drill formation to 400'. Circulate hole clean. Pull into 10-3/4" casing. Hang blocks, replace drilling line. String eight lines. Change pump liners from 6" to 6-1/2".
10-10-90 Finish changing pump liners. RIH with 2 stands and check pump, displace hole with mud. Run survey. Trip for BHA, pick up BHA. TIH, ream 17' of hole and orient tool, drill ahead sliding and rotating. Run MWD check survey at 496' 5.2° S 12.8° E. At 736' MD and 729.67' TVD azimuth angle = S 19° 23 min. E. Horizontal displacement = 57.5'.
10-11-90 Drill sliding and rotating. Trip for bit no. 3. Move IBS from above MWD to above dynadrill. Ream 70', hole sticky; losing 3-4 Bbls mud per hour. At 1342' MD and 1238' TVD inclination = 39.8°, azimuth = S 21.2° E; horizontal departure = 378.43'.
10-12-90 Drill to 1459'. BHA would not slide, hole sticky; appears to be loading up with cuttings. Try to make short trip, hole tight for 7-1/2 stands. POOH to pick up reamer and ream hole. TIH with reamer to bottom of surface. Condition mud, build volume, start reaming at 400'. At 1391' MD and 1274' TVD inclination = 44.5°, azimuth = S 20° 8 min. E; horizontal departure = 412.2'.
10-13-90 Ream hole to TD with bit and 3 pt. reamer. POOH, circulate each jt of pipe out of hole.
10-14-90 TIH with BHA, test MWD at 496'. Wash and ream 1340-1459'. Drill ahead. At 1731' MD and 1508' TVD inclination = 47.5°, azimuth = S 20° 43 min. E; horizontal departure = 658.4'.
10-15-90 POOH to check BHA. Rotate and circulate out for 11 jts. Pick up bit and BHA. TIH to 496'. Test MWD. TIH, wash 270' to bottom. Drill ahead. At 1993' MD and 1679' TVD inclination = 50.1°, azimuth = S 21.6° E; horizontal departure = 857.33'.
10-16-90 Drill to 2091'. Pick up, repair stand pipe. Drill ahead. Begin dropping angle @ 2211' MD. At 2227' MD and 1825' TVD inclination = 49.3°, azimuth = S 21.3° E; horizontal departure = 1039.7'.
10-17-90 Drill to 2551', POOH for bit change, hole tight at 2100'. TIH with bit. Heel buttons worn and 1/8" under gauge; shanks eroded above cones. At 2444' MD and 1977' TVD inclination = 43.1°, azimuth = S 20.5° E; horizontal displacement = 1194.7'. At 2550' MD and 2056' TVD inclination = 40.7°, azimuth = S 20.2° E; horizontal displacement = 1265.5'.
10-18-90 Finish TIH, wash and ream 90' to bottom, drill ahead 41', lost 800 psi pump pressure. Check surface equipment and MWD tool - MWD would not survey indicating leak above tool. POOH looking for hole in pipe, found cracked box on 6th jt weight pipe and washed pin on jt #5. Lay down both jts, check operation of tools. TIH, hit bridge 8-1/2 stands from bottom, wash through bridge and TIH. Wash 39' to bottom and drill ahead. Box cracked 8" vertically from top of box to bottom of pit. At 2728' MD and 2205' TVD inclination = 33.1°, azimuth = S 20° 59 min. E; horizontal displacement = 1369'.

10-19-90 Made 174' in 12 hours drilling. Drill, motor stalling out. POOH, change out dynadrill and bit. TIH, ream 90' to bottom.
At 2982' MD and 2426.31' TVD inclination = 20.5°, azimuth = S 22° 7 min. E; horizontal displacement = 1484.37'. (JG/AR)
10-20-90 Made 288' in 23-1/2 hours drilling. At 3188' MD and 2624.29' TVD inclination = 11°, azimuth = S 21° 2 min. E; horizontal displacement = 1540'.
10-21-90 Made 162' in 17-1/4 hours drilling. Drill to TD, 3435' MD, at 11:15 p.m., 10-20-90. Run survey, circulate, lay down drill pipe and strap. Bottom hole location at 3435' MD and 2869.66' TVD inclination = 0.6°, azimuth = S 20° 59 min. E; horizontal displacement = 1565.69'.
10-22-90 Finish POOH, lay down directional tools, make up BHA. TIH, ream 1276' to TD (3435'). Hit bridge 100' off bottom, circulate hole and run LCM flag. Hole calculates to be in gauge. Circulate hole with 700 gal. for 1 hour. Recovered large amount of fine cuttings. POOH. LDDP.
10-23-90 Lay down drill pipe and drill collars, rig up and run 84 jts (3454.16') 7-5/8" 29.7# N-80 8rd LT&D Dalmine; shoe at 3441.46'; float at 3398.44'. Centralizers middle of jt #1 and top of jts 1, 3, 4, 5, 6, 8, 10, 12, 14, 16, 17, 18, 19, 20, 21, 23, 25, 27, 29, 31, 33, 35, 68, 70, 72, 74, 76, 77, 80, and 82 (total 30). Cement with 770 sx (1170 cf) 65/35 poz with 6% gel, 1% Halid 322, 1/4 #/sk flocele, and 2% KCl; mix at 13.2 ppg. Tail with 125 sx (149 cf) Class B with .4% Halid 344, .4% CFR3, and 1/4 #/sk flocele; mix at 15.6 ppg. Plug down at 5:20 p.m., 10-22-90. Float held OK. Good circulation throughout job. Circulate 40 Bbls cement to surface. Nipple down BOP, set slips, cut off. Nipple up tubing head, test to 1500 psi, held OK. Rig down drilling equipment, suspend drilling operations at 11:59 p.m., 10-23-90. plug back depth 3441'.