

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

2. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒OTHER ☐SINGLE
ZONE ☐MULTIPLE
ZONE ☒

3. NAME OF OPERATOR

Suiron Energy Corporation c/o Gordon L. Llewellyn

4. ADDRESS OF OPERATOR

The Lakes at Bent Tree

17400 Dallas Parkway, STE 210, Dallas, Texas 75252

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

1640' FSL & 890' FEL

At proposed prod. zone
same

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

43.8 miles Southwest of Dulce, New Mexico

7. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

890'

8. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

9. ELEVATIONS (Show whether DF, RT, GR, etc.)

7100' GR

This action is an appeal pursuant to 30 CFR 290.

22. APPROX. DATE WORK WILL START*

September 15, 1980

10. EXHIBITS ATTACHED ARE

11. EXHIBITS ATTACHED ARE

PROPOSED CASING AND CEMENTING PROGRAM

12. SIZE OF HOLE (S)

SIZE OF CASING

WEIGHT PER FOOT

SETTING DEPTH

QUANTITY OF CEMENT

15"

10-3/4" New

40.5# H-40 ST&C

300'

3 stage DV tools to cover

9-7/8"

7-5/8" New

26.5# K-55 ST&C

4200'

Mesa Verde and Pictured Cliffs

6-3/4"

5-1/2" New

15.5# K-55 ST&C

8500'

1. Drill 15" hole and set 10-3/4" surface casing to 300' with good returns.
2. Drill 9-7/8" hole and set 7-5/8" intermediate casing to 4200' with good returns.
3. Log B.O.P. checks in daily drill reports and drill 6-3/4" hole to 8500'.
4. Run tests if warranted and run 5-1/2" casing if productive.
5. Run logs, as needed, and perforate and stimulate as needed.

EXHIBITS ATTACHED:

- "A" Location and Elevation Plat
- "B" The Ten-Point Compliance Program
- "C" The Blowout Preventer Diagram
- "D" The Multi-Point Requirements for A.P.D.
- "E" & "E" 1 Access Road Maps to Location
- "F" Radius Map of Field
- "G" Drill Pad Layout, Production Facilities & Cut-Fill Cross-Section
- "H" Drill Rig Layout

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

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL

TITLE

DATE

*See Instructions On Reverse Side

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

EXHIBIT "A"
Form O-128
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the section

Owner Supron Energy Corporation		Lease Tribal 107		Well No. Jicarilla F#3-A	
Section I	Section 27	Township 26 North	Range 4 West	County Rio Arriba	
Location of Well: 1690 feet from the South line and 890 feet from the East line					
Surface Elev. 7100'	Producing Formation Dakota	Pool Mesa-Verde Dakota Basin	Dedicated Acreage: 160 — 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 _____

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.

	<p align="center">CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>George Lapaseotes</i> Name George Lapaseotes V. Pres.-Powers Elevation Position Agent Consultant for Company Supron Energy Corporation Date September 2, 1980</p>
	<p>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.</p> <p>13 1980 HUDP Date <i>George H. Hudspeth</i> Registered Professional Surveyor and of Land Surveyor Certificate No. 6844</p>

EXHIBIT "B"
TEN-POINT COMPLIANCE PROGRAM
OF NTL-6 APPROVAL OF OPERATIONS

Attached to Form 9-331C
Supron Energy Corporation
Jicarilla "F" #3-A
NE SE Sec. 27 T26N R4W
1640' FSL & 890' FEL
Rio Arriba County, New Mexico

1. The Geologic Surface Formation

The surface formation is the Wasatch.

2. Estimated tops of Important Geologic Markers

Ojo Alamo	2305'
Kirtland	3420'
Fruitland	3595'
Pictured Cliffs	3715'
Cliffhouse	5397'
Point Lookout	5925'
Gallup	6089'
Dakota	7901'
Total Depth	8500'

3. Estimated Depths of Anticipated Water, Oil, Gas or Minerals

Ojo Alamo	2305'	Water
Pictured Cliffs	3715'	Gas
Cliff House	5397'	Gas
Point Lookout	5925'	Gas
Dakota	7901'	Gas

4. The Proposed Casing Program

<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>SECTION LENGTH</u>	<u>SIZE (OD)</u>	<u>WEIGHT, GRADE & JOINT</u>	<u>NEW OR USED</u>
15"	0-300'	300'	10-3/4"	40.5# H-40 ST&C	New
9-7/8"	0-4200'	4200'	7-5/8"	26.4# K-55 ST&C	New
6-3/4"	4000'-8500'	4500'	5-1/2"	15.5# K-55 ST&C	New

Cement Plans - 3 stage DV tools to cover Mesa Verde & Pictured Cliffs

5. The Operator's Minimum Specifications for Pressure Control

EXHIBIT "C" is a schematic diagram of the blowout preventer equipment. The BOP's will be hydraulically tested to half of working pressure after nipping up and after any use under pressure. Pipe rams will be operationally checked each 24-hour period, as will blind rams each time pipe is pulled out of the hole. Such checks of BOP will be noted on daily drilling reports.

Accessories to BOP will include a floor safety valve, drill string BOP and choke manifold with pressure rating equivalent to the BOP stack.

6. The Type and Characteristics of the Proposed Circulating Muds

This well will be drilled with air and fresh water gel with adequate stocks of sorptive agents on site to handle possible spills of fuel and oil on the surface. Heavier muds will be on location to be added if pressure requires.

<u>DEPTH</u>	<u>TYPE</u>	<u>WEIGHT #/gal.</u>	<u>VISCOSITY-sec./qt.</u>	<u>FLUID LOSS cc</u>
0 - 300'	Fresh Water Gel	8.4 - 9.5	35-45	less than 10
300-4200'	Fresh Water Gel	8.4 - 9.5	35-45	less than 10
4000-'8500'	Air	-----	-----	-----

7. The Auxiliary Equipment to be Used

- (a) A kelly cock will not be used.
- (b) A float will be used at the bit.
- (c) Neither mud logging unit nor gas detecting device will be monitoring the system
- (d) A stabbing valve will be on the floor to be stabbed into the drill pipe when kelly is not in the string.

8. The Testing, Logging and Coring Programs to be Followed

- (a) No testing is anticipated
- (b) The logging program will consist of an ES Induction, a Gamma Ray Density, a Gamma Ray correlation, and a Cement Bond Log at selected intervals. Other logs will be determined at well site to best evaluate any shows.
- (c) No coring is anticipated.
- (d) Stimulation procedures will be determined after evaluation of logs. If treatment is indicated, appropriate Sundry Notice will be submitted.

9. Any Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures have been noted or reported in wells drilled in the area nor at the depths anticipated in this well.

No hydrogen sulfide or other hazardous fluids or gases have been found reported or known to exist at these depths in the area.

10. Anticipated Starting Date and Duration of the Operations

The anticipated starting date is set for September 15, 1980, or as soon as possible after examination and approval of drilling requirements. Operations should be completed within 30 days after spudding the well and drilling to casing point.

Blowout Preventer Diagram

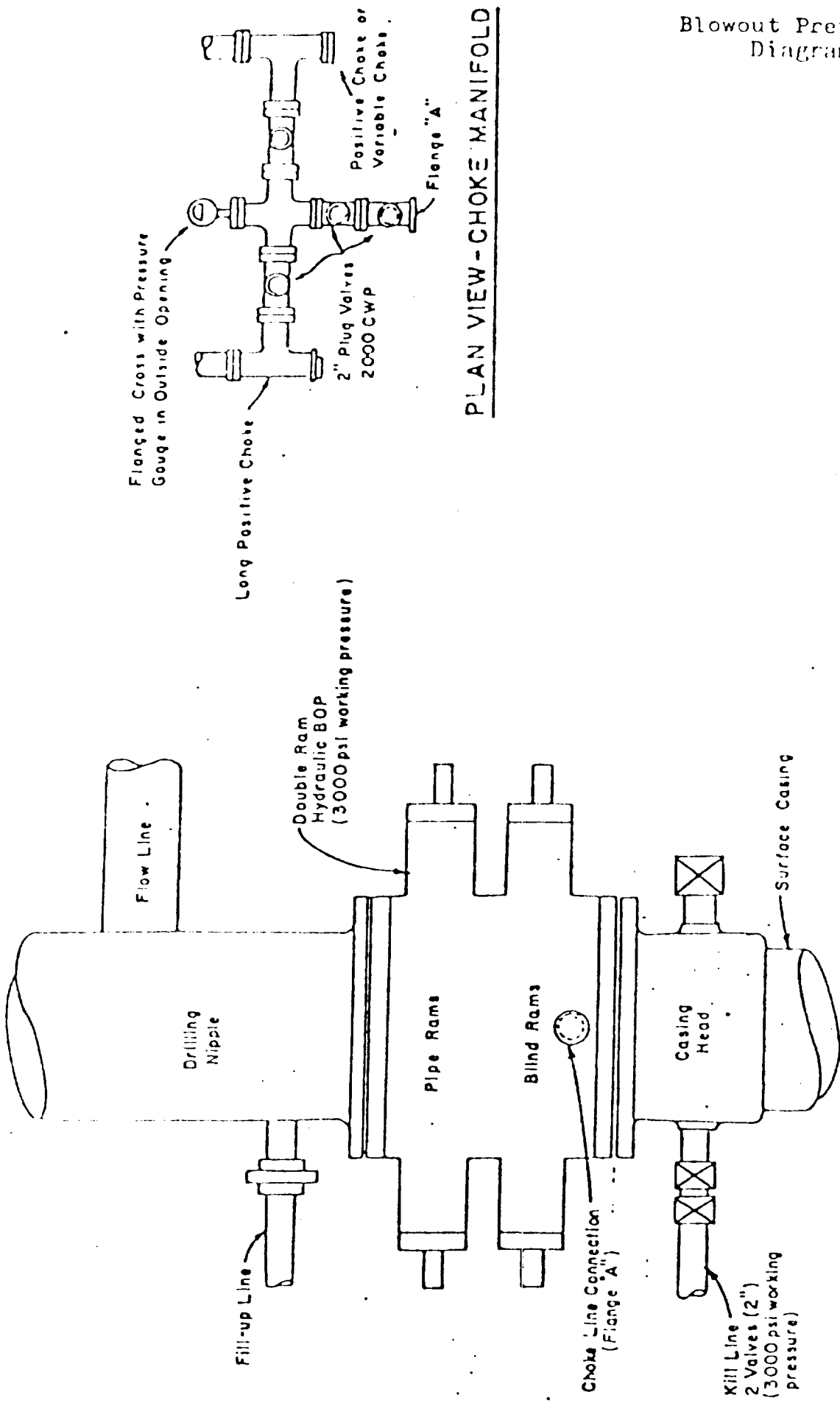


EXHIBIT "D"

MULTI-POINT REQUIREMENTS TO ACCOMPANY A.P.D.

Attached to Form 9-331C
Supron Energy Corporation
Jicarilla "F" #3-A
NE SE Sec. 27 T26N R4W
1640' FSL & 890' FEL
Rio Arriba County, New Mexico

1. Existing Roads

- A. The proposed well site and elevation plat is shown as EXHIBIT "A".
- B. The distance from Dulce, New Mexico, is 43.8 miles. From Dulce, take Highway 64 South 12.4 miles to Highway 537; thence go South 27.4 miles to Jicarilla J-6; thence go West 2.6 miles; thence go South 2.5 miles to field road; thence go Southwest 1.2 miles to beginning of new access road; thence go West-Northwest 600' to location, as shown on EXHIBITS "E" & "E₁".
- C. All roads to location are color-coded on EXHIBIT "E". A new access road 600' from the existing field road will be required, as shown on EXHIBITS "E" & "E₁".
- D. N/A
- E. This is a development well. All existing roads within a one-mile radius are shown on EXHIBIT "E".
- F. The existing roads need no improvement.

2. Planned Access Roads

Map showing all necessary access roads to be constructed or reconstructed is shown as EXHIBIT "E" for the following:

- (1) The maximum width of the running surface of the 600' of access road road as you leave the existing field road will be 18'. If well is productive, the access road will be widened to 25'.
- (2) The grade will be 6%.
- (3) No turnouts are planned.
- (4) Appropriate water bars will be constructed to assure drainage off location to conform with the natural drainage pattern.
- (5) No culverts are needed. The access road is steep and will require a side hillcut plus or minus 15 feet.

- (6) Surfacing materials will be native soil.
- (7) No gates, cattleguards or fence cuts are needed.
- (8) The new access road to be built has been staked during the time of staking the location, and is centerline flagged, as shown on EXHIBIT "E".

3. Location of Existing Wells

For all existing wells within a one-mile radius of development well, see EXHIBIT "F".

- (1) There are no water wells within a one-mile radius of this location.
- (2) There is one abandoned well in this one-mile radius.
- (3) There are no temporarily abandoned wells.
- (4) There are no disposal wells.
- (5) There are no wells presently being drilled.
- (6) There are fourteen producing wells within this one-mile radius.
- (7) There are no shut-in wells.
- (8) There are no injection wells.
- (9) There are no monitoring or observation wells for other uses.

4. Location of Existing and/or Proposed Facilities

- A. Within a one-mile radius of location, the following existing facilities are owned or controlled by lessee/operator:
 - (1) Tank Batteries: None
 - (2) Production Facilities: None
 - (3) Oil Gathering Lines: None
 - (4) Gas Gathering Lines: None
 - (5) Injection Lines: None
 - (6) Disposal Lines: None
- B. If production is obtained, new facilities will be as follows:
 - (1) Production facilities will be located on solid ground of cut area of the drill pad, as shown on EXHIBIT "G".
 - (2) All well flow lines will be buried and will be on the well site and battery site.

- (3) Facilities will be 300 feet long and 250 feet wide.
 - (4) All construction materials for battery site and pad will be obtained from site. No additional material from outside sources is anticipated.
 - (5) Any necessary pits will be fenced and flagged to protect livestock and wildlife.
- C. Rehabilitation, whether well is productive or dry, will be made on all unused areas in accordance with B.I.A. stipulations.

5. Location and Type of Water Source

- A. The source of water will be the San Juan River, 30 miles Northwest of the location.
- B. Water will be transported by truck over existing roadways.
- C. No water well is to be drilled on this lease.

6. Construction Materials

- A. No construction materials are needed for drilling and access roads into the drilling location unless production is obtained. The surface soil materials will be sufficient or will be provided by the Dirt Contractor as needed.
- B. No construction materials will be taken off Indian land.
- C. All surface soil materials for construction of access roads are sufficient.
- D. All major access roads presently exist as shown on EXHIBIT "E".

7. Handling of Waste Materials and Disposal

- (1) Drill cuttings will be buried in the reserve pit.
- (2) Drilling fluids will be handled in the reserve pit.
- (3) Any fluids produced during drilling test or while making production test will be collected in a test tank. If a test tank is not available during drilling, fluids will be handled in reserve pit. Any spills of oil, gas, salt waters or other noxious fluids will be cleaned up and removed.
- (4) Chemical facilities will be provided for human waste.
- (5) Garbage and non-flammable waste and salt and other chemicals produced during drilling or testing will be handled in trash pit. Flammable waste will be disposed of in burn pit. Drill fluids,

water, drilling mud and tailings will be kept in reserve pit, as shown on EXHIBIT "H". The trash/burn pit will be totally enclosed with small mesh wire to prevent wind scattering trash before being burned or buried. Reserve pit will be fenced on three sides and the fourth side fenced upon removal of the rig.

- (6) After the rig moves out, all materials will be cleaned up and no adverse materials will be left on location. Any dangerous open pits will be fenced during drilling and kept closed until such time as the pit is leveled.

8. Ancillary Facilities

No air strip, camp or other facilities will be built during drilling of this well.

9. Well Site Layout

- (1) EXHIBIT "G" is the Drill Pad Layout as staked, with elevations, by Powers Elevation of Durango, Colorado. Cuts and fills have been drafted to visualize the planned cut across the location spot and to the deepest part of the pad. Topsoil will be stockpiled per B.I.A. specifications determined at time of pre-drill inspection.
- (2) EXHIBIT "H" is a plan diagram of the proposed rig and equipment, reserve pit, trash/burn pit, pipe racks and mud tanks. No permanent living facilities are planned. There will be a trailer on site.
- (3) EXHIBIT "G" is a diagram showing the proposed production facilities layout.
- (4) The reserve pits will not be lined.

10. Plans for Restoration

- (1) Backfilling, leveling and contouring are planned as soon as all pits have dried. Waste disposal and spoils materials will be buried or hauled away immediately after drilling is completed. If production is obtained, the unused area will be restored as soon as possible.
- (2) The soil banked material will be spread over the area. Revegetation will be accomplished by planting mixed grasses as per formula provided by the B.I.A. Revegetation is recommended for road area, as well as around drill pad.
- (3) Three sides of the reserve pit will be fenced during drilling operations. Prior to rig release, the reserve pit will be fenced on the fourth side to prevent livestock or wildlife from becoming entrapped; and the fencing will be maintained until leveling and cleanup are accomplished.

- (4) If any oil is on the pits and is not immediately removed after operations cease, the pit containing the oil or other adverse substances will be flagged overhead or covered with wire mesh.
- (5) The rehabilitation operations will begin immediately after the drilling rig is removed. Removal of oil or other adverse substances will begin immediately or area will be flagged and fenced. Other cleanup will be done as needed. Planting and revegetation is considered best in Fall, 1981, unless requested otherwise.

11. Other Information

- (1) The soil is a sandy loam. No distinguishing geological features are present. The area is covered with pinon, juniper, sagebrush, and native grasses. There are reptiles, rabbits, and deer in the area. The terrain is basically flat, draining Westerly. The location sits on a bench of Wild Horse Mesa.
- (2) The primary surface use is for grazing. The surface is owned by Indians (Jicarilla Apache).
- (3) There is no live water in the vicinity.

The closest occupied dwelling is 5 miles Southeast of the location, as shown on EXHIBIT "E".

There are no known archaeological, historical, or cultural heritages that will be disturbed by this drilling.

- (4) There are no reported restrictions or reservations noted on the oil and gas lease.
- (5) Drilling is planned for on or about September 15, 1980. It is anticipated that the casing point will be reached within 30 days after commencement of drilling.

12. Lessee's or Operator's Representative

George Lapaseotes
Agent Consultant for
Supron Energy Corporation
600 South Cherry Street
Suite 1201
Denver, Colorado 80222
Phone (303) 321-2217

Jerry L. Lee
c/o Gordon L. Llewellyn
17400 Dallas Parkway
Suite 210
The Lakes at Bent Tree
Dallas, Texas 75252
Phone (214) 385-9100

13. Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Supron Energy Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Date

9-2-80



George Lapaseotes
Agent Consultant for
Supron Energy Corporation

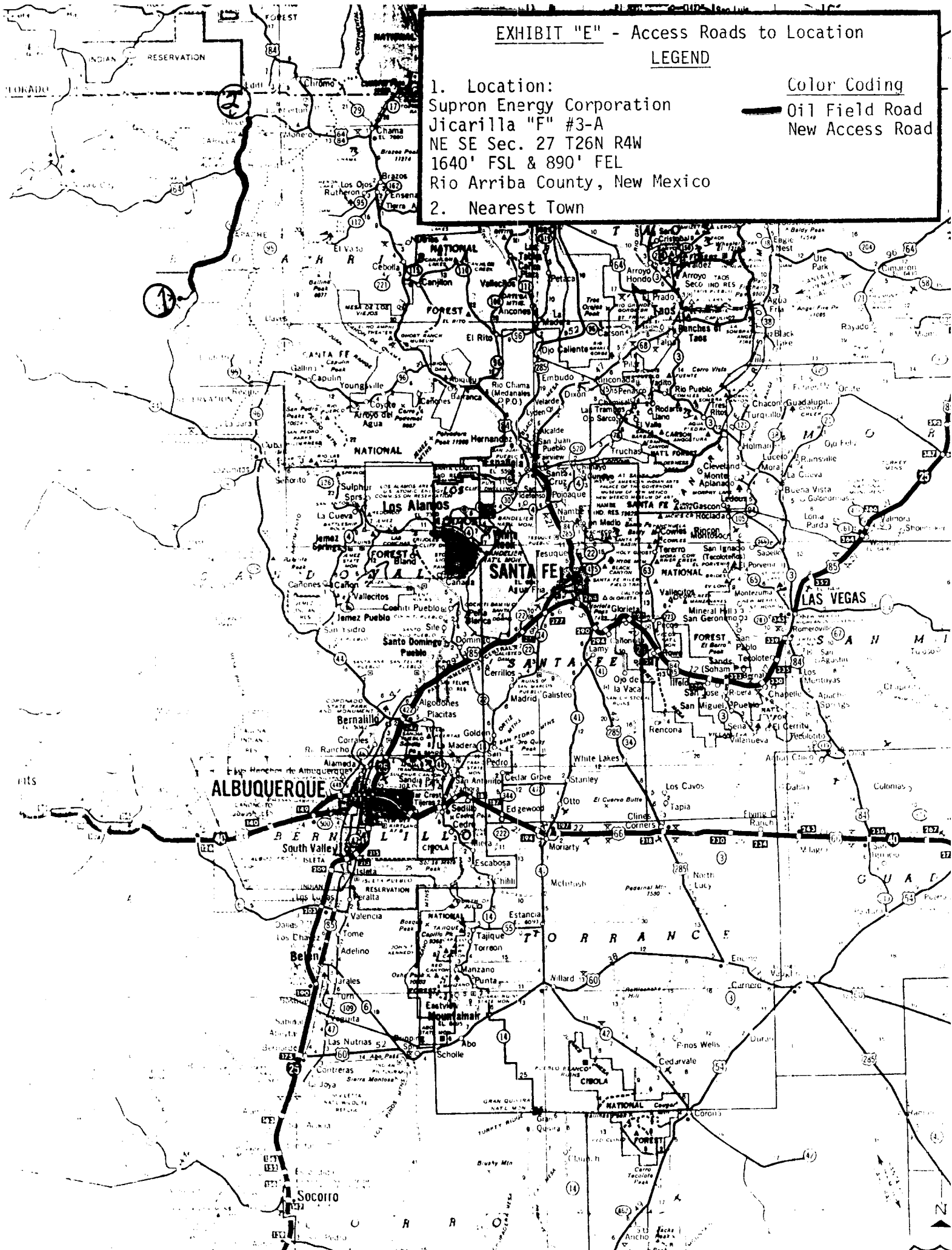
EXHIBIT "E" - Access Roads to Location

LEGEND

1. Location:
Supron Energy Corporation
Jicarilla "F" #3-A
NE SE Sec. 27 T26N R4W
1640' FSL & 890' FEL
Rio Arriba County, New Mexico
2. Nearest Town

Color Coding

- Oil Field Road
- New Access Road



DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

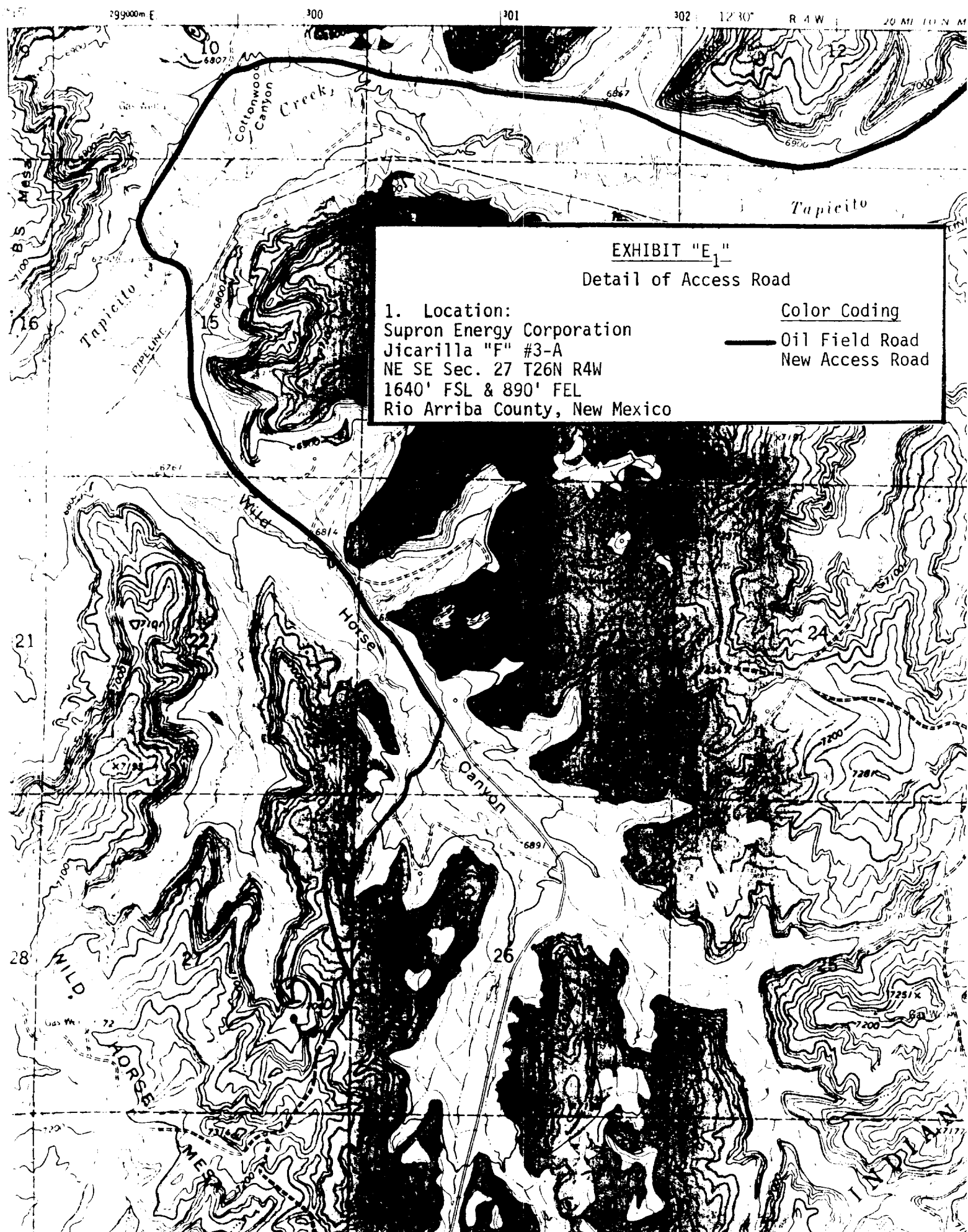
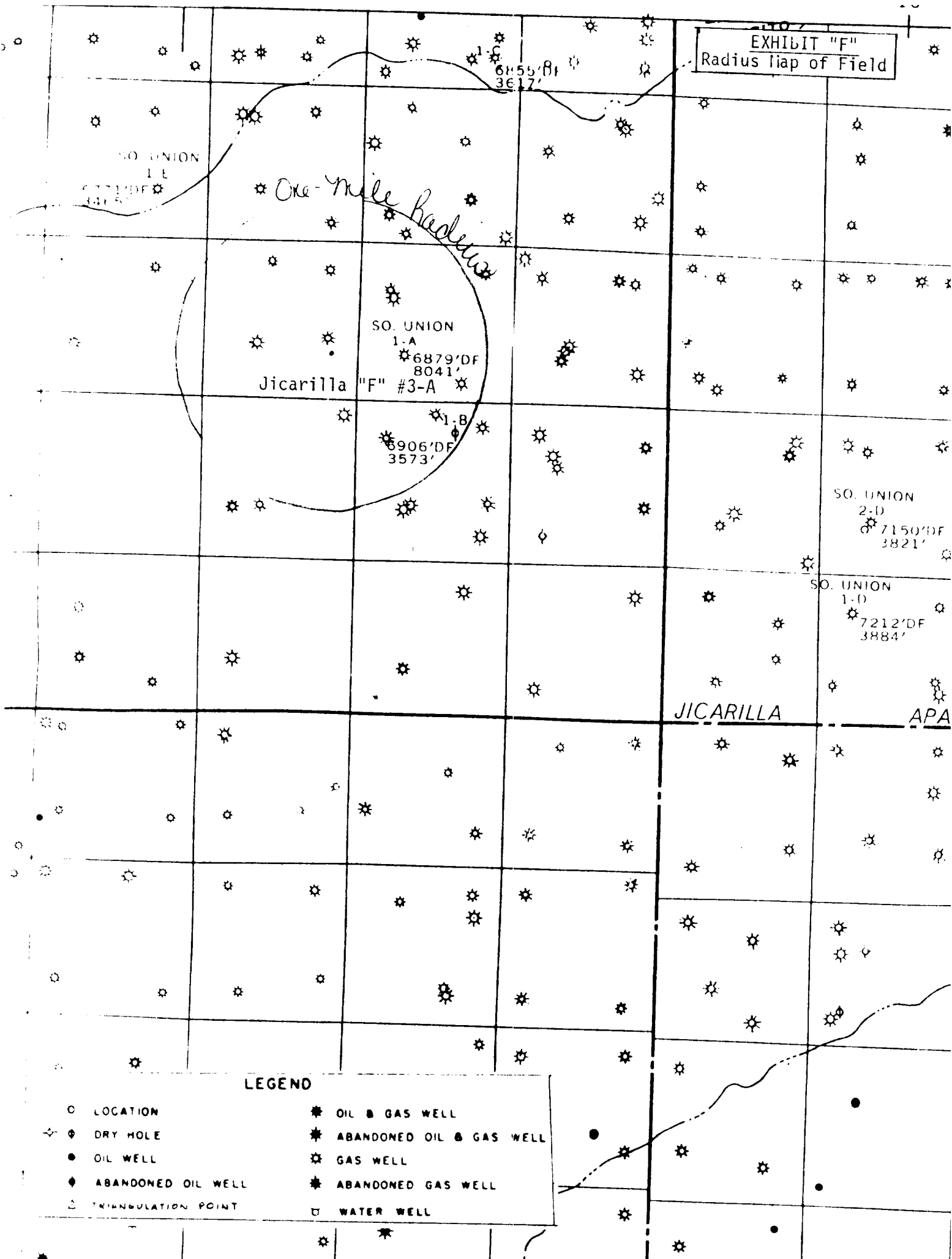
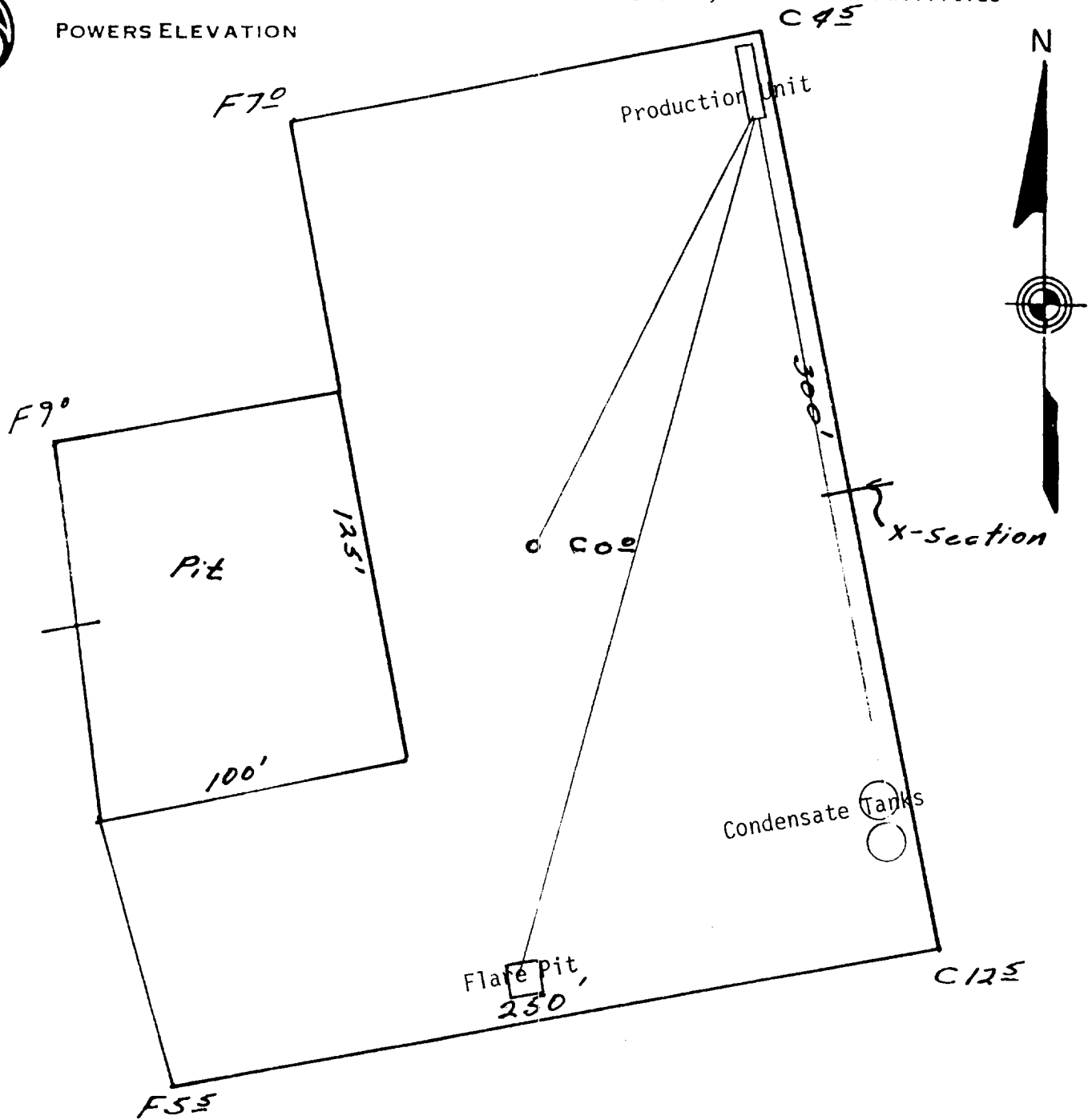


EXHIBIT "F"
Radius Map of Field

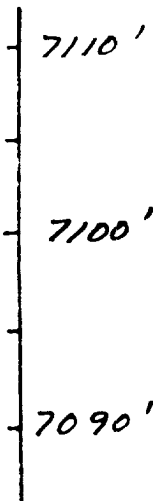
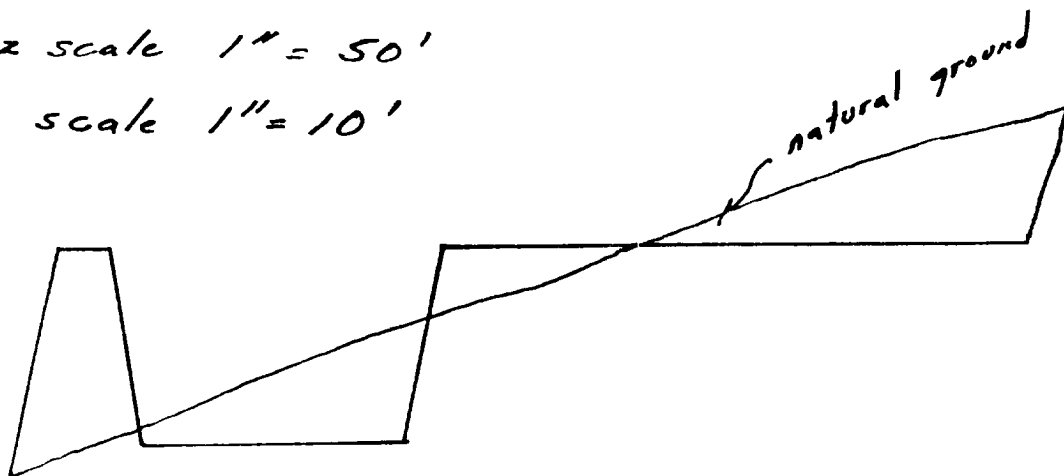




POWERS ELEVATION



Horz scale 1" = 50'
Vert scale 1" = 10'



Supron Energy Corporation
Jicarilla "F" #3-A
NE SE Sec. 27 T26N R4W
1640' FSL & 890' FEL
Rio Arriba County, New Mexico

SCALE
1" = 50'

