

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. SF 080724-A
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR SUPRON ENERGY CORPORATION		7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR P.O. Box 808, Farmington, New Mexico 87401		8. FARM OR LEASE NAME Zachry
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 1120 feet from the South line and 1520 feet from the East line At proposed prod. zone Same as above		9. WELL NO. 19-E
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 4 miles southwest of Blanco, New Mexico		10. FIELD AND POOL, OR WILDCAT Basin Dakota
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1120 ft. 1120 ft.		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 12, T-28N, R-10W, NMPM
16. NO. OF ACRES IN LEASE 270.11		12. COUNTY OR PARISH San Juan
17. NO. OF ACRES ASSIGNED TO THIS WELL 322.94 SEE BELOW*		13. STATE New Mexico
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2310 ft.		14. PROPOSED DEPTH 6520
19. ROTARY OR CABLE TOOLS Rotary		20. APPROX. DATE WORK WILL START* July 15, 1980
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5664 Gr.		

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24	250	175 SX
7-7/8"	4-1/2"	10.5	6520	1125 SX

The surface hole will be drilled to +250 ft. Casing will be run and cemented with the cement being circulated back to the surface. The surface casing will be pressure tested. The well will be drilled to T.D. of approx. 6520 ft. using starch base mud as the circulating medium. Pipe will be run and cemented in three stages with the estimated cement top to be at approx. 425 ft. The pipe will be pressure tested then the Dakota zone will be perforated and sand water fraced to stimulate production. The well will then be cleaned up, tubing run to the top of the Dakota zone and the wellhead nipped down.

19. 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 Rudy D. Motto TITLE Area Superintendent DATE May 5, 1980
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY: _____

*Dedicated Acreage: W $\frac{1}{2}$ W $\frac{1}{2}$ of partial Sec. 7, T-28N, R-9W and all of Sec. 12, T-28N, R-10W

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

Operator SUPRON ENERGY CORPORATION			Lease ZACHRY		Well No. 19-E
Unit Letter 0	Section 12	Township 28 NORTH	Range 10 WEST	County SAN JUAN	
Actual Footage Location of Well: 1120 feet from the SOUTH line and 1520 feet from the EAST line					
Ground Level Elev. 5664	Producing Formation DAKOTA		Pool BASIN Dakota	Indicated Acreage See Below 322.94 Acres	

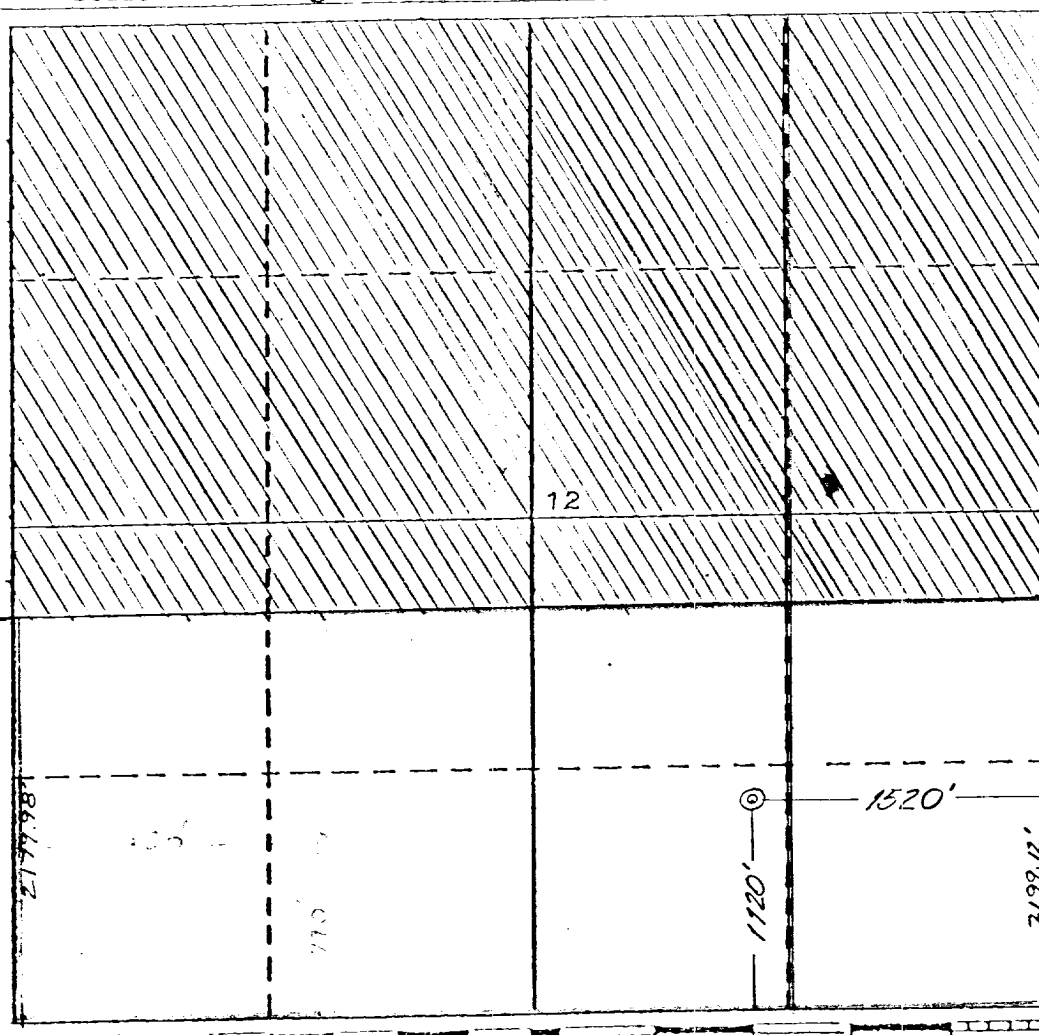
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is 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 Division.

*** Dedicated Acreage - 1/2, W/2, Sec. 7, T-28N, R-9 W, & All of Sec. 12, T-28N, R-10W**



CERTIFICATION

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

Rudy D. Motto
Name

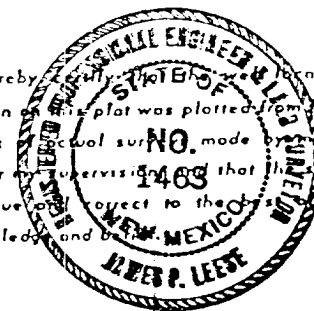
Rudy D. Motto

Position
Area Superintendent

Company
SUPRON ENERGY CORPORATION

Date
February 29, 1980

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



Date Surveyed
February 20, 1980

Registered Professional Engineer and/or Land Surveyor

James P. Leese
James P. Leese

Certificate No.
1463

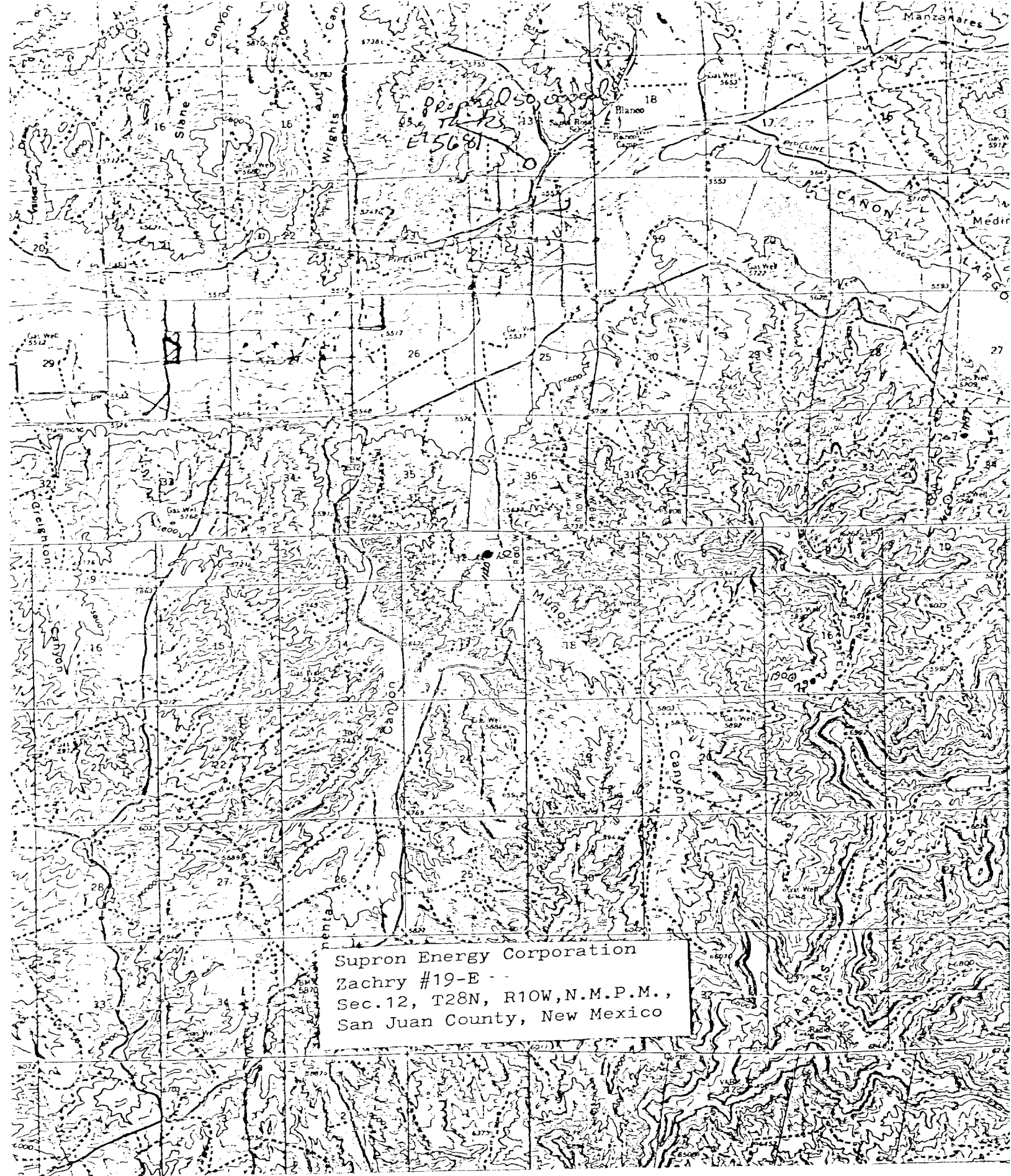
SUPRON ENERGY CORPORATION

ZACHRY No. 19-E

SE ¼ Sec. 12, T-28N, R-10W, NMPM
San Juan County, New Mexico

The following attachments are included with this application:

1. Topographical map showing the proposed location and access road.
2. No access road is required and no extra materials will be required.
3. Map showing existing producing facilities and access roads.
4. Location of surface equipment if required.
5. Drilling and completion water will be obtained from the San Juan River.
6. All pits will be fenced and constructed in such a way as to prevent litter on the location.
7. We will dispose of all waste by placing it in the reserve pit and burying it when the well is completed.
8. There will be no camp at or near the well site.
9. There will be no air strip.
10. A plat is attached showing the location of the rig, mud tanks, reserve pit, burn pit and etc.
11. A letter of certification is attached. The operator representative for compliance purposes is Rudy D. Motto, Area Superintendent, P.O. Box 808, Farmington, New Mexico 87401. Phone (505) 325-3587.
12. After the well is completed, the location will be cleaned up and bladed. The reserve pit will be allowed to dry and then be filled and restored to its natural state.
13. The soil is sandy clay and the principal vegetation is galleta, snakeweed, rabbit brush, greasewood, alkali sacaton, indian ricegrass, three-awn, juniper, four-wing saltbrush and shadscale.

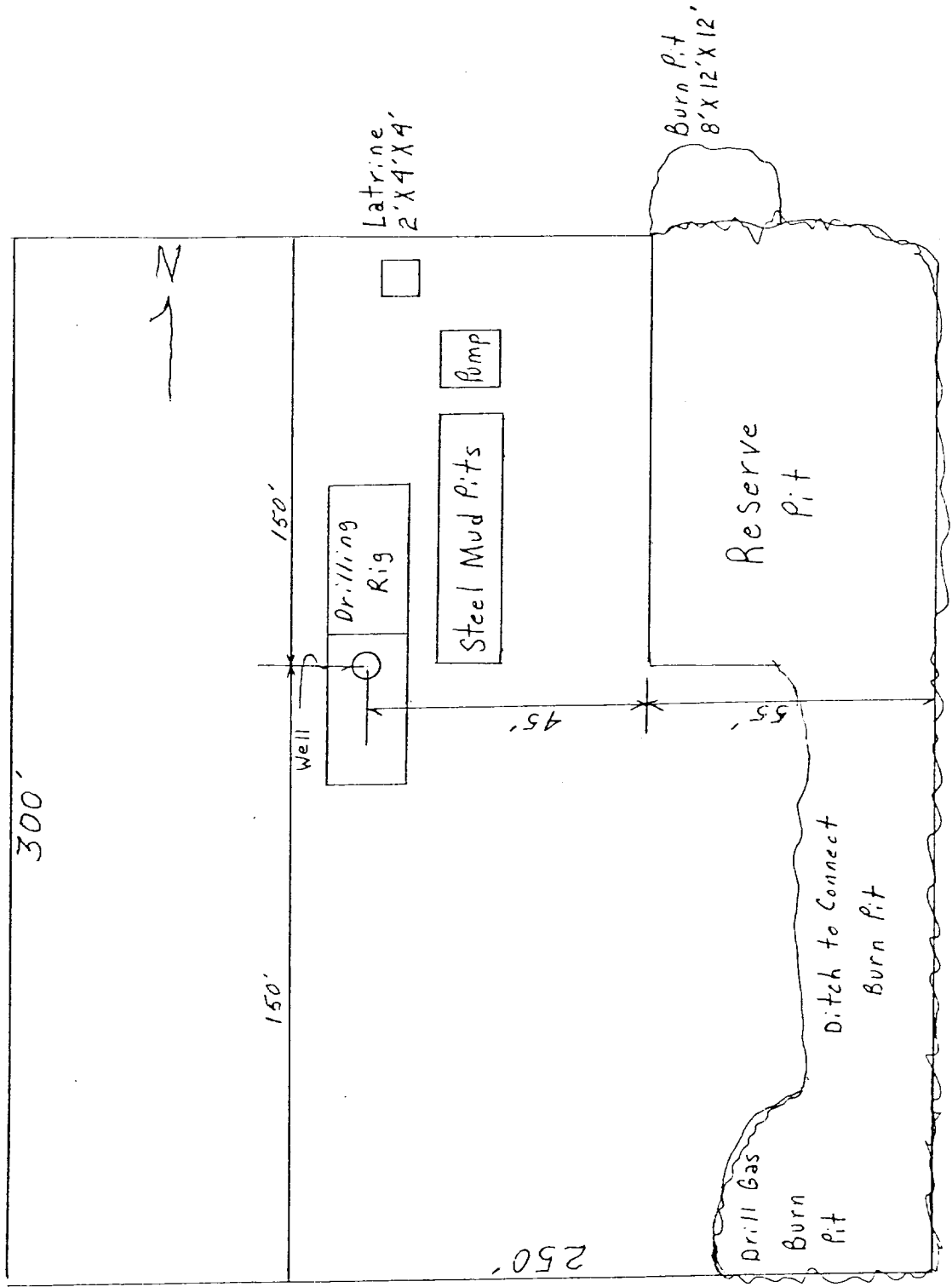


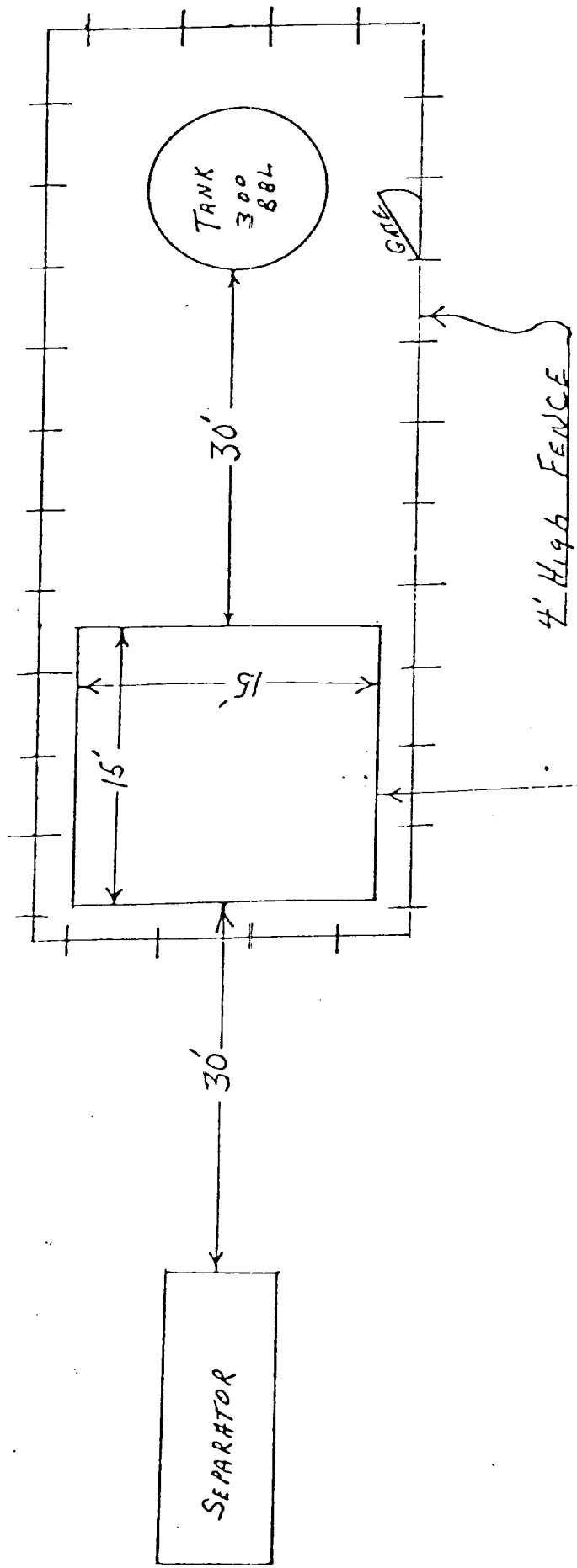
LOCATION AND EQUIPMENT LAYOUT

SUPRON ENERGY CORPORATION

ZACHRY No. 19-E

1120 feet from the South line and 1520 feet from the East line of Section 12, Township 28 North, Range 10 West, N.M.P.M. San Juan County, New Mexico.



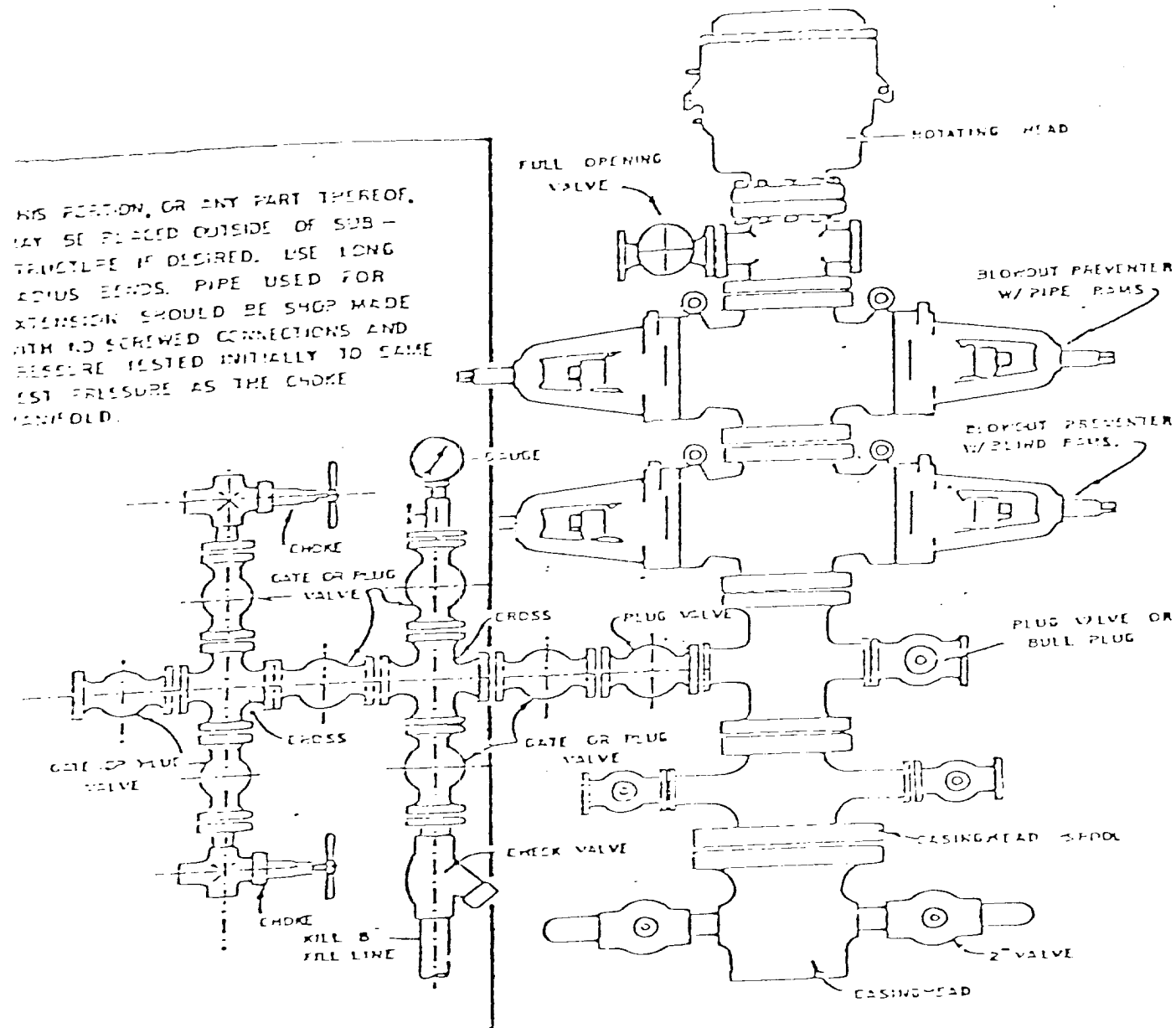


70'

WELL HEAD

Blowout Preventer will be tested daily and prior to drilling out with the results to be logged on the drillers report.

The B.O.P. and all valve and fittings are rated at 3000 psi working pressure, and hydraulically operated

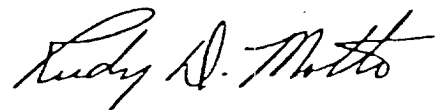


BLOWOUT PREVENTER HOOKUP

SUPRON ENERGY CORPORATION
Post Office Box 808
FARMINGTON, NEW MEXICO 87401

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 subcontractors in conformity with this plan and the terms and conditions under which it is approved.

SUPRON ENERGY CORPORATION

A handwritten signature in cursive script, reading "Rudy D. Motto".

Rudy D. Motto
Area Superintendent
Phone: 325-3587

SUPRON ENERGY CORPORATION
ZACHRY No. 19-E
SE ¼ Sec. 12, T-28N, R-10W, N.M.P.M.
San Juan County, New Mexico

1. The Geologic name of the surface formation is, "Wasatch".
2. The estimated tops of important Geologic markers are:

A. Base of the Ojo Alamo	915 ft.
B. Kirtland	915 ft.
C. Fruitland	1517 ft.
D. Pictured Cliffs	1875 ft.
E. Chacra	2478 ft.
F. Cliff House	3457 ft.
G. Point Lookout	4232 ft.
H. Gallup	5372 ft.
I. Greenhorn	6188 ft.
J. Dakota	6267 ft.
3. The estimated depths at which anticipated water, oil or other mineral bearing formations are expected to be encountered are:

A. Ojo Alamo	915 ft.	Water
B. Kirtland	915 ft.	Water
C. Fruitland	1517 ft.	Water
D. Pictured Cliffs	1875 ft.	Water
E. Chacra	2478 ft.	Water
F. Cliff House	3457 ft.	Gas
G. Point Lookout	4232 ft.	Gas
H. Gallup	5372 ft.	Dry
I. Greenhorn	6188 ft.	Shale
J. Dakota	6267 ft.	Gas
4. The casing program is shown on form 9-331C and all casing is new.
5. The lessee's pressure control equipment schematics are attached, along with minimum specifications, testing procedures and frequencies.
6. The type, estimated volumes, and characteristics of the circulating medium are as follows:

A. 0 - 250 ft.	Natural Mud
B. 250 - 6520 ft.	Permaloid non dispersed mud containing approx. 186 sx gel, 70 sx of permaloid and 20 sx of CMC.
7. The auxiliary equipment to be used will be floats at the bit and a sub on the floor with a full opening valve to be stabbed into the drill pipe when the kelly is not in the string.
8. The well is in an area which is partially developed; therefore we will not have a testing and coring program. The logging program is as follows:

A. E.S. Induction
B. Gamma Ray Density
C. Gamma Ray Correlation
D. Cement Bond Log
9. We do not expect to find any abnormal pressures, temperatures or hydrogen sulfide problems in this partially developed area.
10. The anticipated starting date for this well is July 15, 1980.