SUBMIT IN TRIPLICATE*

Form approved. Budget Bureau No. 42-R1425.

(Other instructions on reverse side)

DRILL X DEEPEN PLUG BACK O. TYPE OF WELL OIL GAS WELL OTHER OIL SINGLE X MULTIPLE ZONE 8. FARM OR LEASE NAME ZONE ZONE ZACHTY 9. WELL NO. 26 P. O. Box 808, Faimington, New Mexico 87401	(May 1963)		ITED STATES	reverse		38-645-24529
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Torn (-107 P. O. DOX 2088 Revised 10-1-78 DIVITE OF THEM INTINCO SANTA FE, NEW MEXICO 87501 ENERGY NO MINERALS DEPARTMENT All distances must be from the outer boundaries of the Bertlim. Kril Ho. 2.5 CACIUIDA ZACHRY SUPRON ENERGY CORPORATION County 112070 Unit I eller SAN JUAN 10 WEST 28 NORTH N Actual I was to Live atom of well: WEST line 1535 feet from the line and 1065 trailing the Dediented Actenger Producting Formation Citund Level Elev. 134.36-1-1 Bloomfield Extension 5842 Chacra 1. Outline the actenge dedicated to the subject well by colored pencil or hachate marks on the plat below. 2. If more than one lease is dedicated to the well, outline each and identify the ownership threeof (both as to working interest and royalty). 3. If more than one lense of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc? Il answer is "yes," type of consolidation _____ ☐ No /cs Il 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, Will the little of the Division. forced-pooling, or otherwise) or until a non-standard CERTIFICATION I hereby certify that the Information contoined herein is true and complete to the RECEIVED yes of my knowledge and belief. Endy W. Moth Rudy D. Motto Dole Surveyed Area Superintendent June 19, 1980 Registered Professional Engineer SUPRON ENERGY CORPORATION Company July 14, 1980 Jámes P. Leese Dote Centilicale No. 1463 SEVENTH STANDARD PARALLEL 2505.68 2620.20 587° 53' W cc 282.48 × 124.01 27.29 28.46 26.48 27.88 1 3 98 4 PZ 24CHRY * 26 80'. 80

589°56'W 5280.00'

3EC 13

SUPRON ENERGY CORPORATION

ZACHRY No. 26
SW ½ Sec. 12, T-28N, R-10W, N.M.P.M.
San Juan County, New Mexico

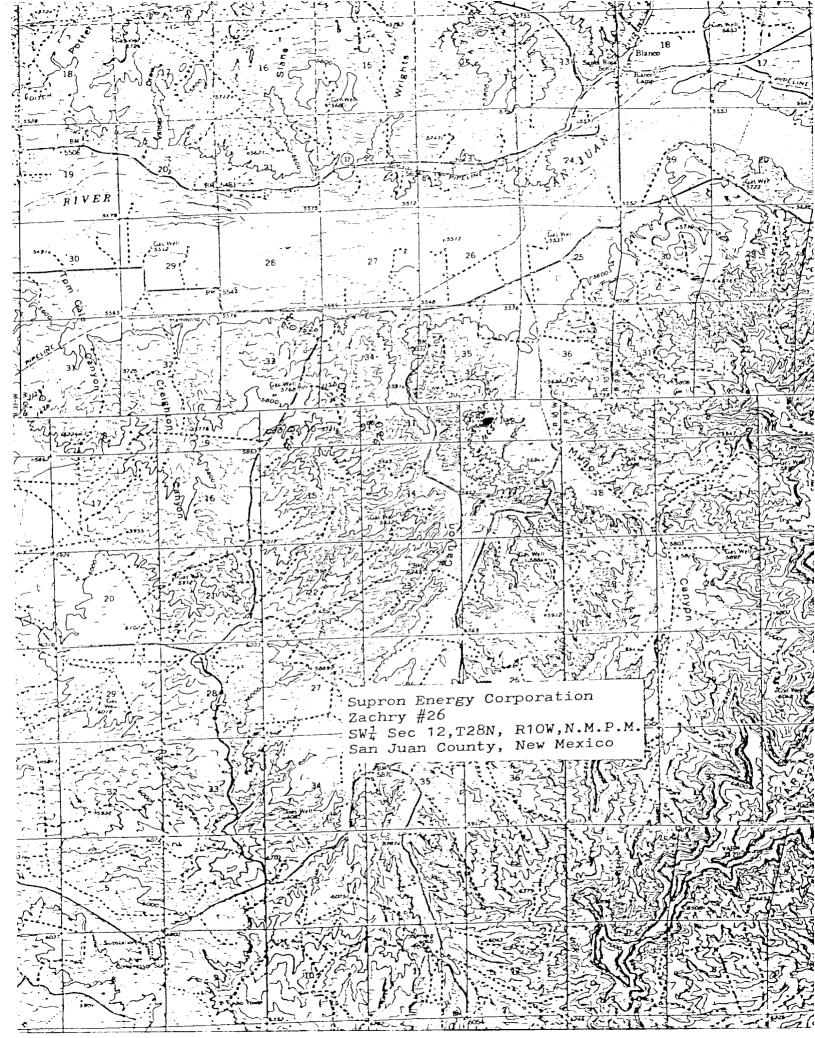
- 1. The Geologic name of the surface formation is "Wasatch".
- 2. The estimated tops of important Geologic markers are:
 - A. Top of the Ojo Alamo - - - 990 ft.
 - B. Top of the Fruitland - - - - 1830 ft.
 - C. Top of the Pictured Cliffs - - - 2055 ft.
 - D. Top of the Chacra------- 3045 ft.
- 3. The estimated depth at which anticipated water, oil or other mineral bearing formations are expected to be encountered are:
 - A. Top of the Ojo Alamo - - - 990 ft. - Water
 - B. Top of the Fruitland - - - 1830 ft. - Water
 - C. Top of the Pictured Cliffs - - - 2055 ft. - Gas
 - D. Top of the Chacra- - - - - 3045 ft. - Gas
- 4. The casing program is shown on 9-331 C 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 to 200 ft. Natural mud
 - B. 200 to 3245 ft. Permaloid non dispersed mud containing approx. 67 sx of Permaloid and 10 sx of C.M.C.
- 7. The auxiliary equipment 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. This well is in an area which is heavily developed; therefore we will not have a testing or coring program. The logging program is as follows:
 - A. E.S. Induction
 - B. Gamma Ray Density
 - C. Gamma Ray Correlation
 - D. Cement Bond or Temperature
- 9. We do not expect to find any abnormal pressures, temperatures or hydrogen sulfide problems in this heavily developed area.
- 10. The anticipated starting date for this well is September 15, 1980, dependent on rig availability.

SUPRON ENERGY CORPORATION

ZACHRY NO. 26 SW/4 Sec. 12, T-28N, R-10W, N.M.P.M. San Juan County, New Mexico

The following attachments are included with this application:

- 1. Topographical map showing the proposed location and access road.
- 2. Planned access road is not required.
- 3. Map showing existing production 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 manner 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 is no camp at or near the site.
- 9. There is 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 operators 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, then be filled and restored to its natural state.
- 13. The soil is sandy clay loam with the principal vegetation being snakeweed and sagebrush.

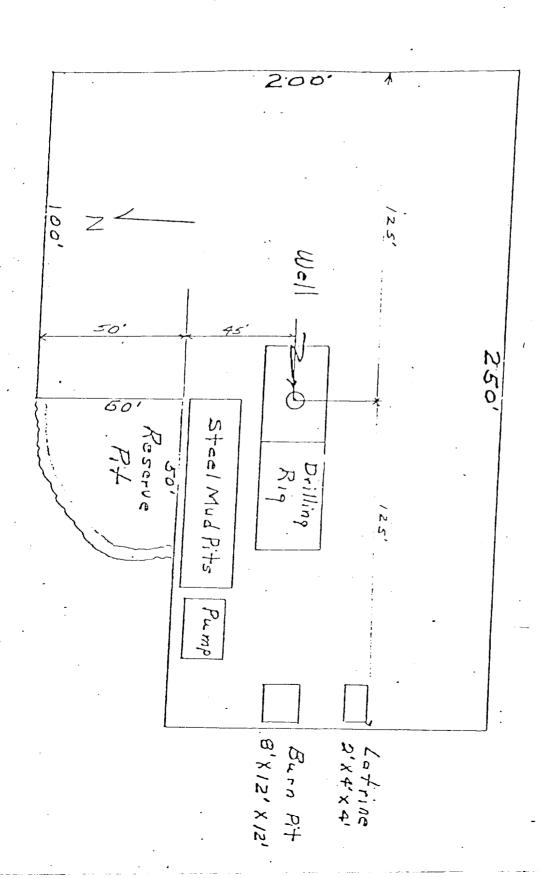


LOCATION AND EQUIPMENT LAYOUT

SUPRON ENERGY CORPORATION

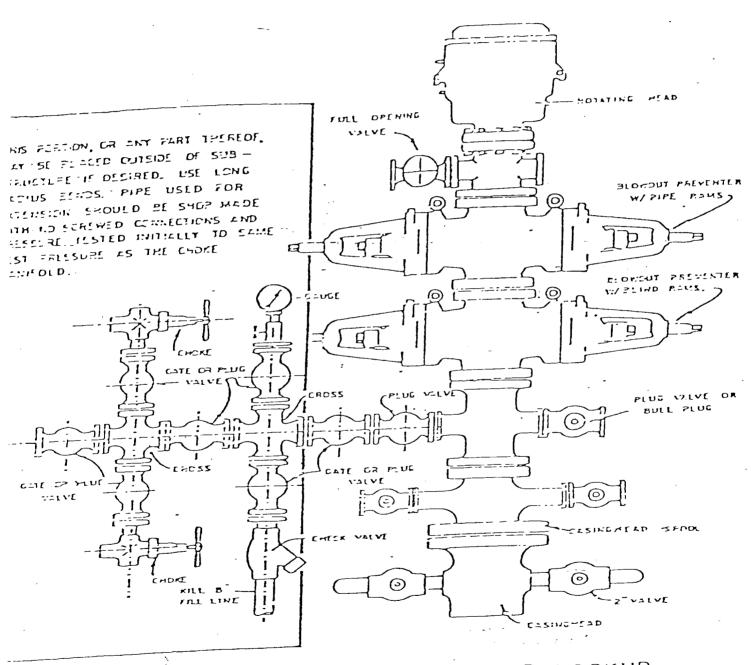
ZACHRY NO. 26

1065 Ft./South; 1535 Ft./West line Sec. 12, T-28N, R-10W, N.M.P.M., San Juan County, New Mexico



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 HOCKUP

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

I bereby 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 preformed 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

Rudy D. Motto

Area Superintendent

Phone: 325-3587