P. O. BOX 2084 SANTA FE, NEW MEXICO 87501

Form C-102 Revised 10-1-78

All distances must be from the outer houndaries of the Section Well 110. Cherotos 1 E REID "B" SUPRON ENERGY CORPORATION Hunge Section Unit Letter SAN JUAN 29 NORTH 10 WEST Actual l'astage Location al Well: EAST frot from the SOUTH 1760 line and lest from the Dedicated Acreoger Ground Level Elev. Producing Formation 320 5617 1. Outline the acreage dedicated to the subject well by colored pencil or hachare 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? 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. CERTIFICATION I hereby certify that the Information contained herein is true and complete to the Area Superintendent Supron Energy Corporation Company March 7, 1980 31 1080 Date Surveyed February 19, Ρ. Leèse Certificate No. 1463

SUPRON ENERGY CORPORATION

Reid "B" No. 1-E

NW ½ Section 31, T-29N, 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 will be 20 feet wide and 50 feet long approaching the location from the east. No extra material will be used and the facility will be installed to meet the requirements of NTL-6.
- 3. Map showing existing producing facilities and access road.
- 4. Location of surface equipment.
- 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 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 ect.
- 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) 3s5-3587.
- 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 silty sand and clay with the principal vegetation being juniper, snakewood, sagebrush, indian ricegrass, alkali sacaton, 4-wing saltbush, greasewood, shadscale, galleta, prickley pear and canigre.



SUPRON ENERGY CORPORATION

Reid "B" No. 1-E NW ½ Section 31, T-29N, 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	450 ft.
B.	Top of the Fruitland	1550 ft.
C.	Top of the Pictured Cliffs	1760 ft.
D_{\bullet}	Top of the Chacra	2760 ft.
E.	Top of the Cliff House	3350 ft.
F .	Base of the Greenhorn	6130 ft.
G.	Top of the Dakota	6250 ft.

3. The estimated depths at which water, oil or mineral bearing formations are expected to be encountered are:

A.	Base of the Ojo Alamo	400 ft.	Water
B .	Top of the Fruitland	1550 ft.	Water
C.	Top of the Pictured Cliffs	1760 ft.	Gas
D.	Top of the Chacra	2760 ft.	Gas
E .	Top of the Cliff House	3350 ft.	Gas
F.	Top of the Dakota	6250 ft.	Gas

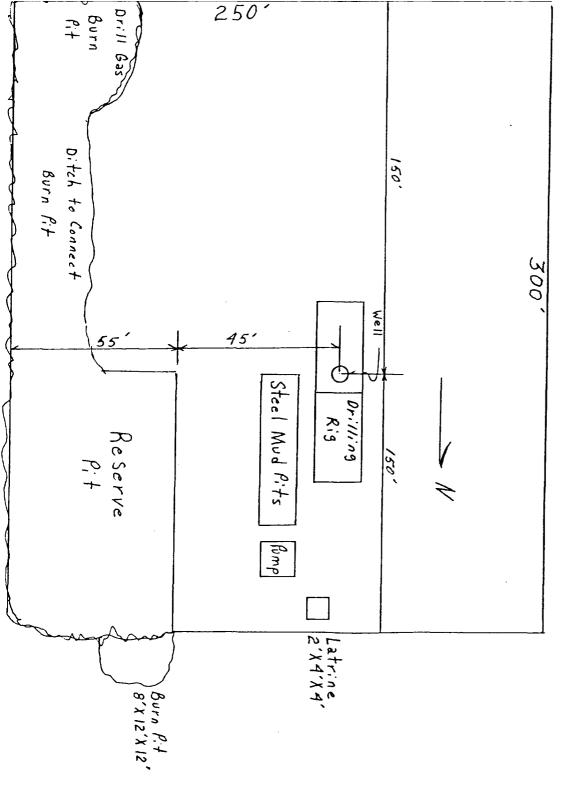
- 4. The casing program is shown on form 9-333C and all casing is new.
- 5. The lessee's pressure control equipment schematics are attached, along with minimum specifications, testing proceedures and frequencies.
- 6. The type, estimated volumes, and characteristics of the circulating medium are as follows:
 - A. 0 250 ft. Natural Mud
 - B. 250 6500 ft. Permaloid non dispersed mud containing approximately 200 sx of gel, 80 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. 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
- 9. We do not expect to find abnormal pressures, temperatures or hydrogen sulfide problems in this highly developed area.
- 10. The anticipated starting date for this well is July 1, 1980 dependent on rig availability.

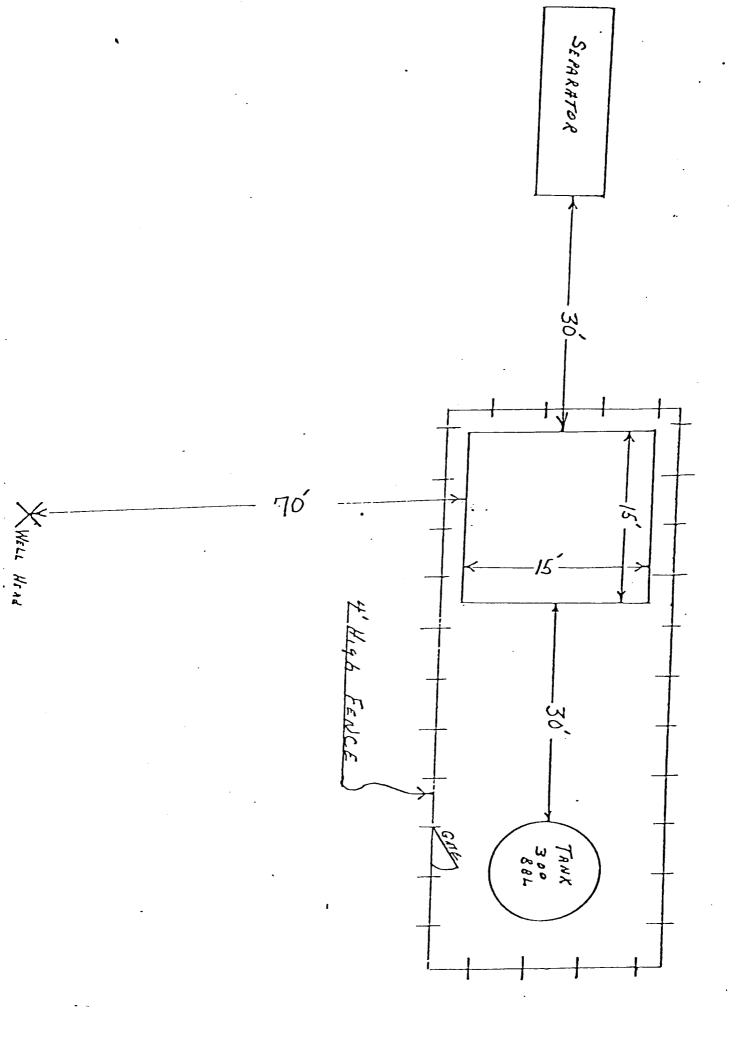
Supron Energy Corporation
Reid "B" #!E,Sec.31,T29N,R10W
N.M.P.M., San Juan Co, N.M.

LOCATION AND EQUIPMENT LAYOUT SUPRON ENERGY CORPORATION

REID "B" NO. 1-E

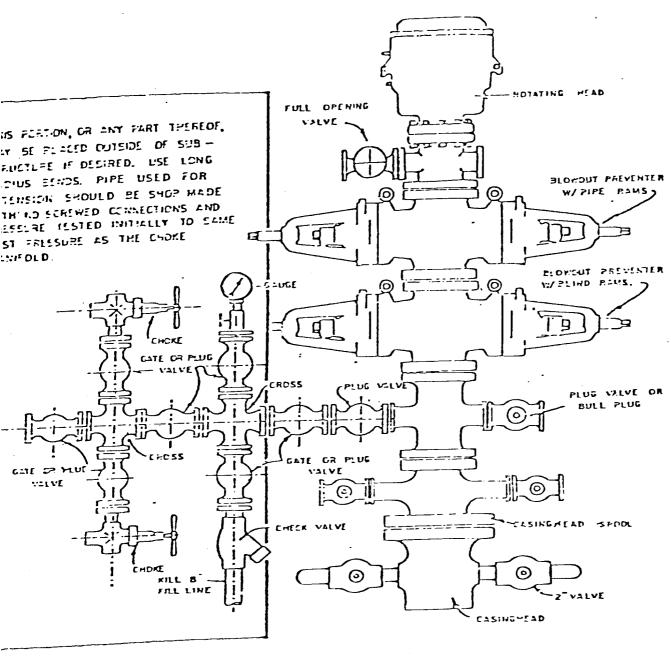
1760 Feet from the South line and 1080 feet from the East line of Section 31, Township 29 North, Range 10 West, N.M.P.M., San Juan County, New Mexico.





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 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 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