

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEYSUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)Form approved,
Budget Bureau No. 42-R1425.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒

OTHER

SINGLE
ZONE ☒MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

SUPRON ENERGY CORPORATION

3. ADDRESS OF OPERATOR

P.O. Box 808, Farmington, New Mexico 87401

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

At surface

1520 ft./North line and 1120 ft./West line

At proposed prod. zone

Same as above.

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

4 miles southeast of Bloomfield, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

1120 ft.

1120 ft.

18. DISTANCE FROM PROPOSED LOCATION*

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

160 ft.

16. NO. OF ACRES IN LEASE

560.00

19. PROPOSED DEPTH

6570

17. NO. OF ACRES ASSIGNED
TO THIS WELL

N 1/320

20. ROTARY OR CABLE TOOLS

Rotary

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

5711 Gr.

22. APPROX. DATE WORK WILL START*

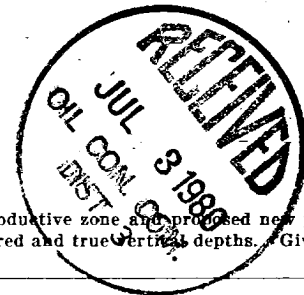
July 15, 1980

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"	24.00	250 ft.	175 sx Circulate to surf.
7-7/8"	4-1/2"	10.5	6570 ft.	1175 sx

We propose to drill this well through the Dakota formation at approximately 6570 ft. using mud as the circulating medium. Surface pipe will be set as described above and cement will be circulated around the casing. After the well is drilled 4-1/2" casing will be run and cemented as follows: 1st stage approx. 350 sx of 50-50 POZ mix. 2nd stage approx. 500 sx of 50-50 POZ mix followed by 50 sx of class "B". 3rd stage approx. 225 sx of 65-35 POZ followed by 50 sx of class "B" cement. After cementing the Dakota zone will be perforated, fraced and cleaned up. Tubing will be run and the wellhead will be nipped down. Estimated top of the cement will be 400 ft.



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

Rudy D. Motto
Rudy D. Motto

TITLE Area Superintendent

DATE May 5, 1980

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

Charles Gibson

TITLE

CONDITIONS OF APPROVAL, IF ANY:

NMCCC

ALL OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH APPLICABLE
"GENERAL REQUIREMENTS"APPROVED
AS AMENDEDDATE
JUL 2 1980
JAMES F. SIMS
DISTRICT ENGINEER

All distances must be from the outer boundaries of the Section

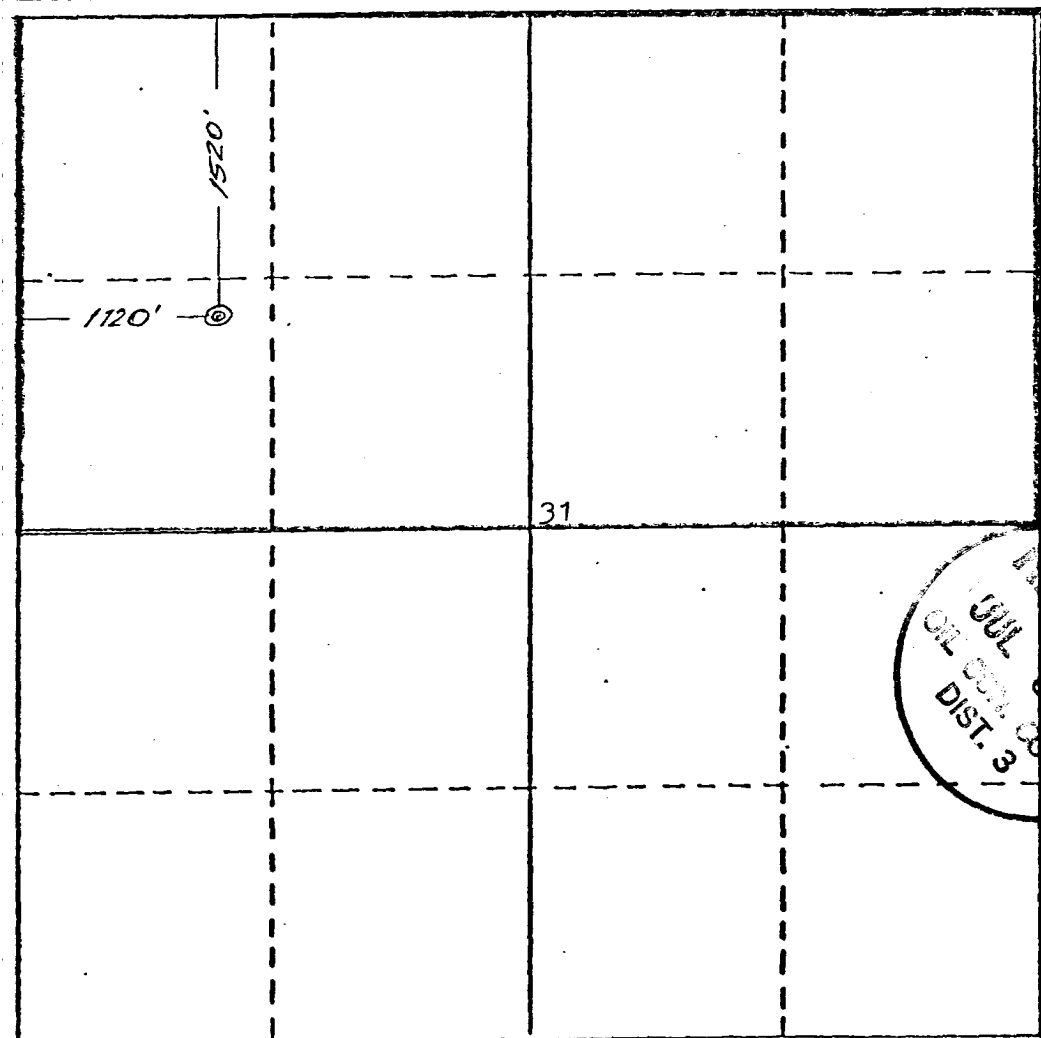
Operator SUPRON ENERGY CORPORATION			Lease REID "B"		Well No. 2.-E
Unit Letter E	Section 31	Township 29 NORTH	Range 10 WEST	County SAN JUAN	
Actual Postage Location of Well: 1520 feet from the NORTH line and 1120 feet from the WEST line					
Ground Level Elev. 5711	Producing Formation Dakota		Pool Basin		Dedicated Acreages N$\frac{1}{2}$ 320 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.

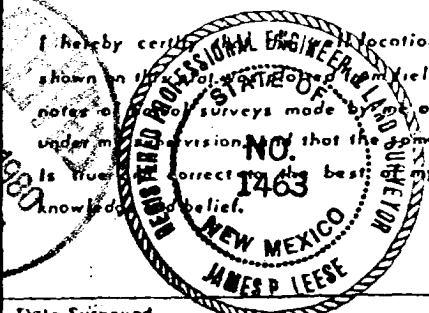


CERTIFICATION

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

Ludy A. Matto
Name
Area Superintendent
Position
Supron Energy Corporation
Company
March 7, 1980
Date

I hereby certify that the location shown on the plat is correct and that the same is true 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

NW ¼ Sec. 31, T-29N, R-10W, NMPM

San Juan County, New Mexico

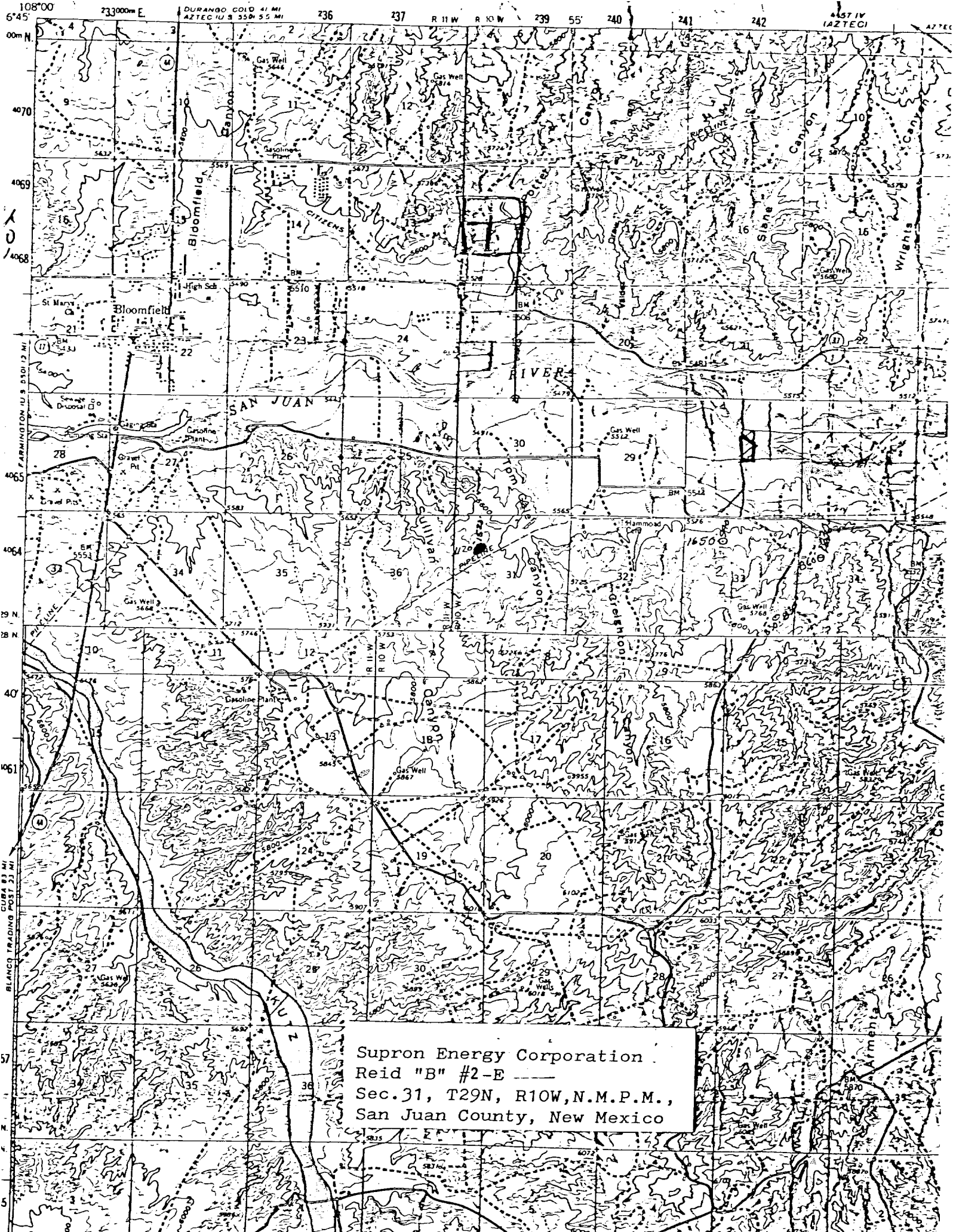
1. The Geologic name of the surface formation is, "Wasatch".
2. The estimated tops of important Geologic markers are:

A. Base of the Ojo Alamo	864 ft.
B. Kirtland	864 ft.
C. Fruitland	1644 ft.
D. Pictured Cliffs	1889 ft.
E. Chacra	2482 ft.
F. Cliff House	3464 ft.
G. Point Lookout	4179 ft.
H. Gallup	5427 ft.
I. Greenhorn	6254 ft.
J. Dakota	6287 ft.
3. The estimated depths at which anticipated water, oil or other mineral bearing formations are expected to be encountered are:

A. Ojo Alamo	864 ft.	Water
B. Kirtland	864 ft.	Water
C. Fruitland	1644 ft.	Water
D. Pictured Cliffs	1889 ft.	Water
E. Chacra	2482 ft.	Water
F. Cliff House	3464 ft.	Gas
G. Point Lookout	4179 ft.	Gas
H. Gallup	5427 ft.	Dry
I. Greenhorn	6254 ft.	Shale
J. Dakota	6287 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 - 6570 ft.	Permaloid non dispersed mud containing approx. 180 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:

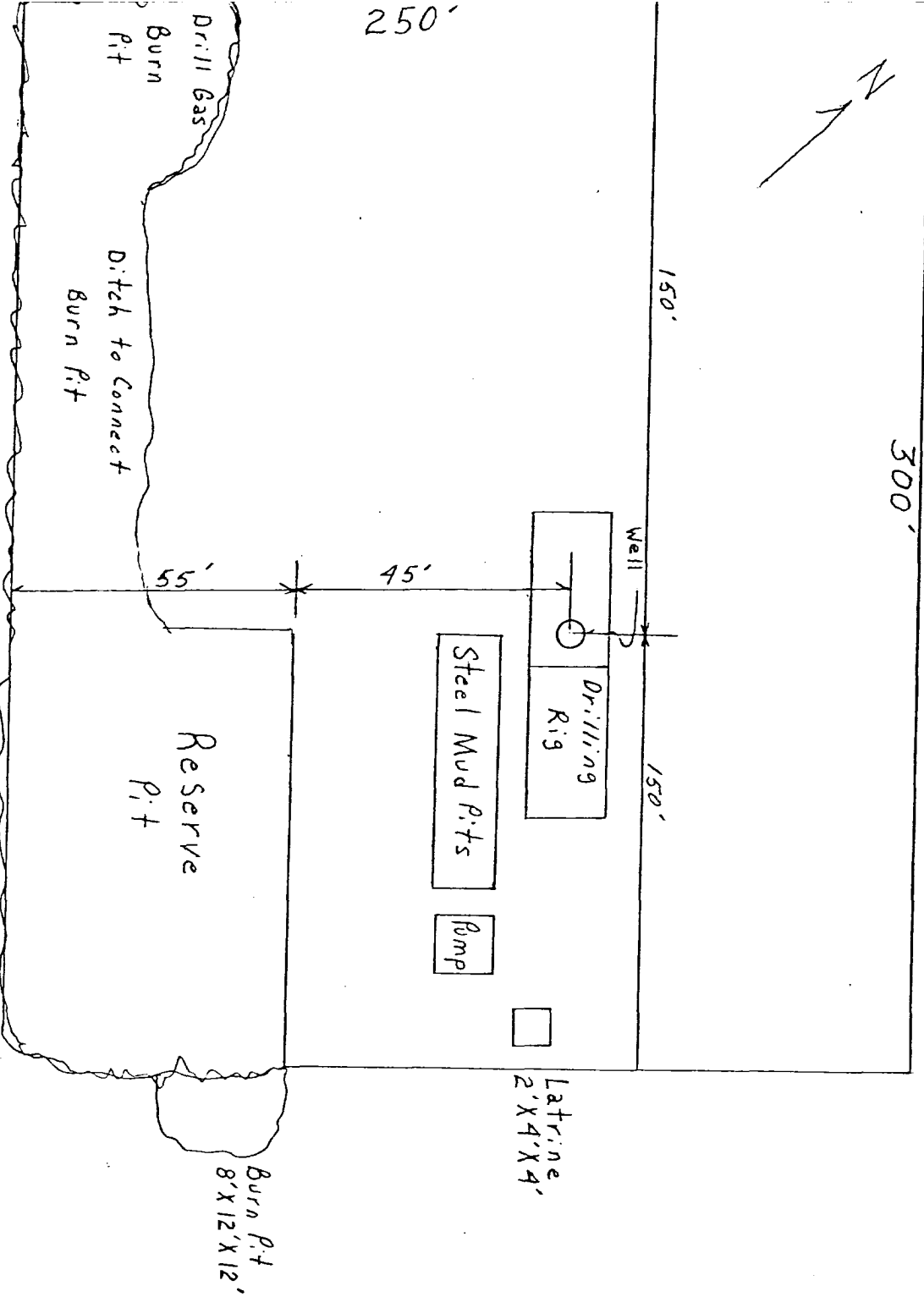
A. E.S. Induction
B. Gamma Ray Density
C. Gamma Ray Correlation
D. Cement Bond Log
9. We do not expect to find any abnormal pressures, temperatures or hydrogen sulfide problems in this partially developed area.
10. The anticipated starting date for this well is July 15, 1980.

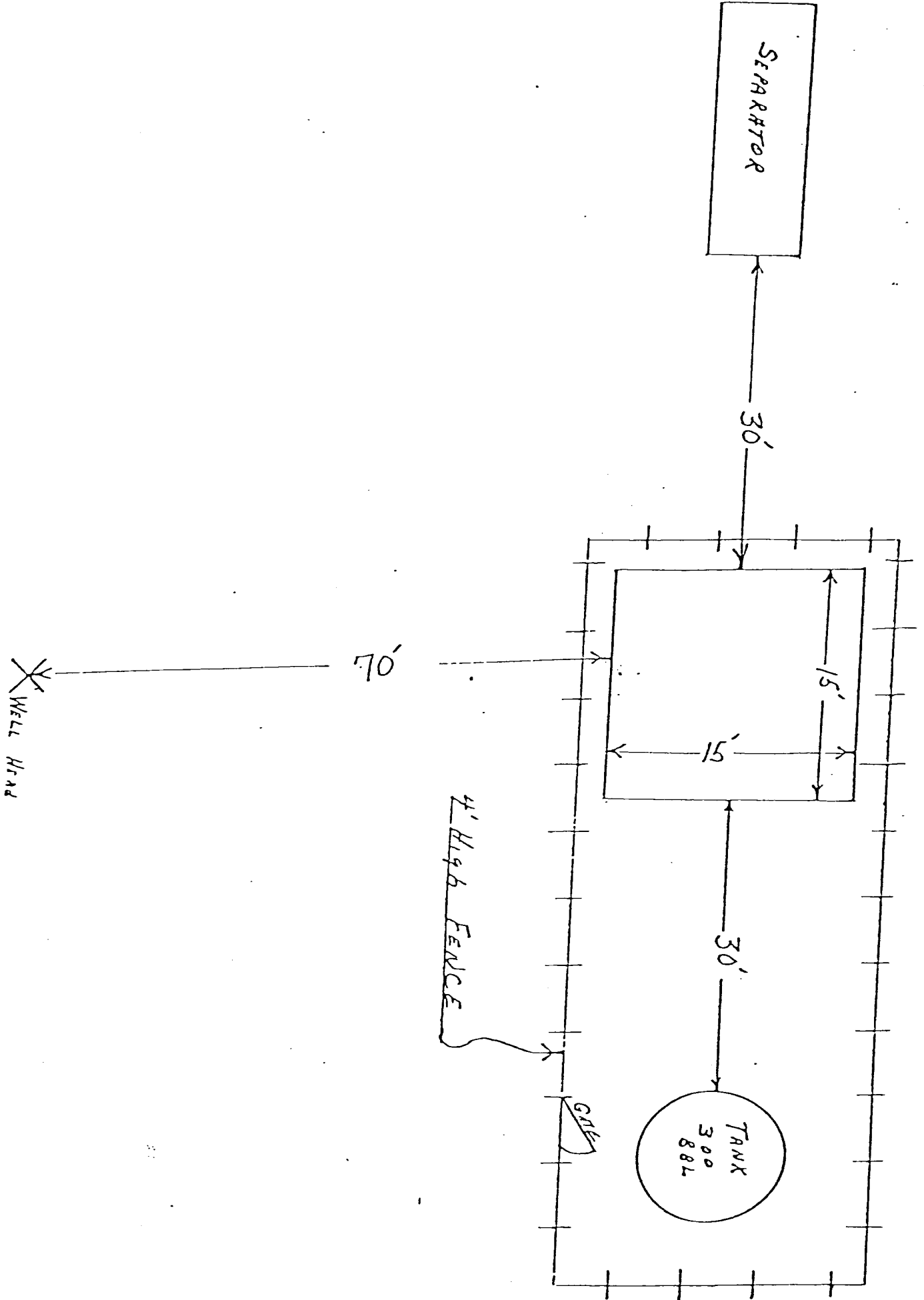


SUPRON ENERGY CORPORATION

Reid "B" No. 2-E

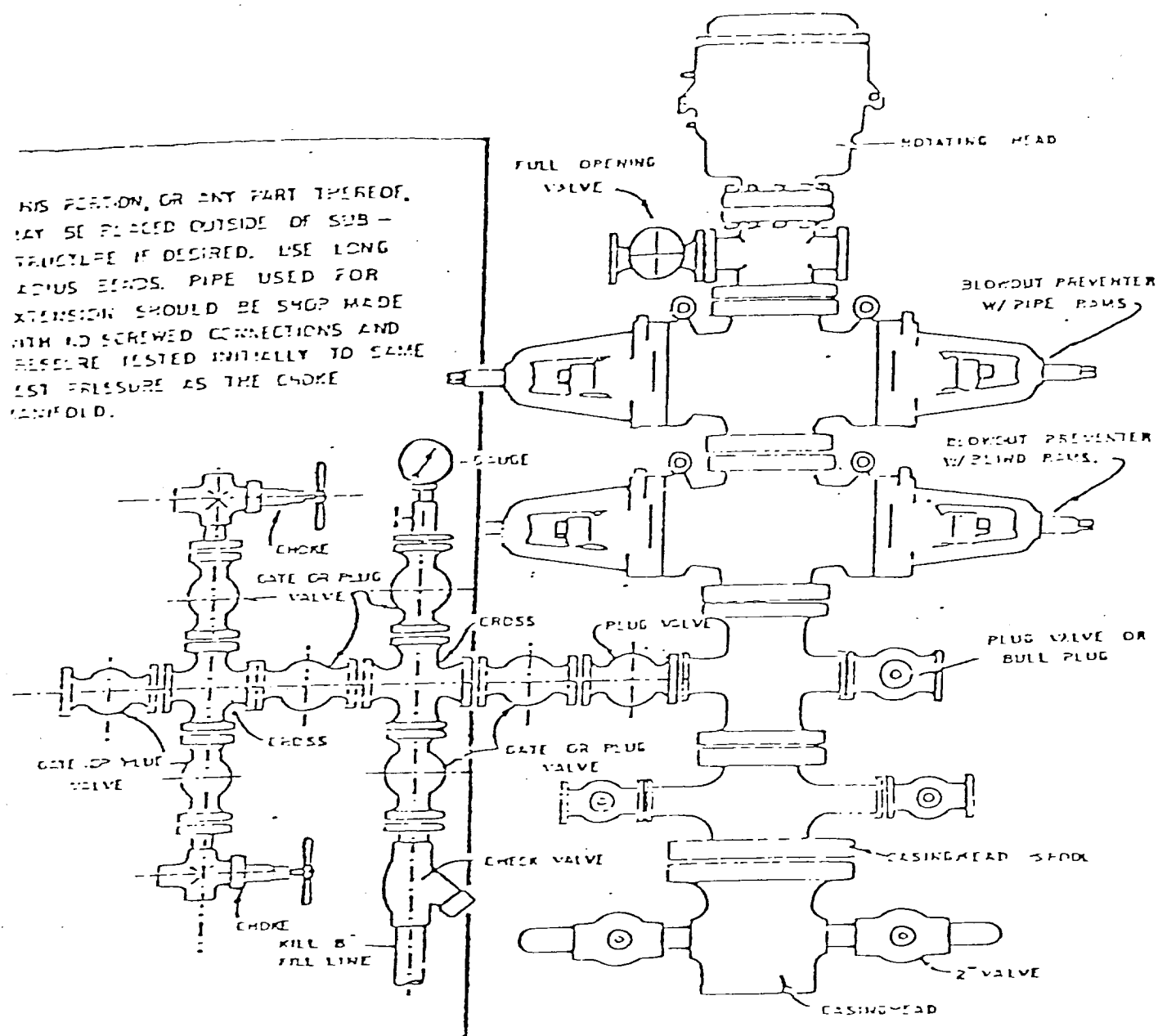
1520 feet from the North line and 1120 feet from the west line
of Section 31, Township 29 North, Range 10 West, N.M.P.M.,
San Juan County, New Mexico.





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

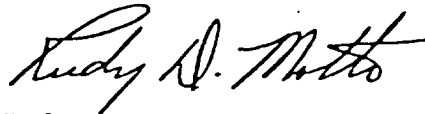
SUPRON ENERGY CORPORATION

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 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



Rudy D. Motto
Area Superintendent
Phone: 325-3587

SUPRON ENERGY CORPORATION

REID "B" No. 2-E

NW $\frac{1}{4}$ Sec. 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 no access road is required. No extra materials will be needed.
2. Map showing existing producing facilities and access roads.
3. Location of surface equipment if required.
4. Drilling and completion water will be obtained from the San Juan River.
5. All pits will be fenced and constructed in such a way as to prevent litter on the location.
6. We will dispose of all waste by placing it in the reserve pit and burying it when the well is completed.
7. There will be no camp at or near the well site.
8. There will be no air strip.
9. A plat is attached showing the location of the rig, mud tanks, reserve pit, burn pit and etc.
10. 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.
11. 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.
12. The soil is sandy loam, and the principal vegetation is juniper, mormon tea, indian ricegrass, three awn, sagebrush, narrow leaf yucca and four wing saltbrush.