

RECEIVED

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
U. S. GEOLOGICAL SURVEY
FARMINGTON DRILLINGDEEPEN ☐PLUG BACK ☐b. TYPE OF WELL
OIL ☐ 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

830 ft./South line and 830 ft./East line

At proposed prod. zone

Same as above

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

7 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)

830 ft.

830 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

2284.30

19. PROPOSED DEPTH

6650

17. NO. OF ACRES ASSIGNED
TO THIS WELL

320

20. ROTARY OR CABLE TOOLS

Rotary

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

5737 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"	23.00	250	125 sx
7-7/8"	4-1/2"	10.50	6650	700 sx

We propose to drill this well through the Dakota formation at approximately 6650 ft. using mud as a circulating medium. Surface pipe will be set as described above and cement will be circulated around the casing. After the well has been drilled 4-1/2" casing will be run and cemented in 3 stages as follows: 1st stage approximately 200 sx of 50-50 POZ mix, 2nd stage approximately 200 sx of 50-50 POZ mix followed by 50 sx of class "B", 3rd stage approximately 200 sx of 65-35 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 well head nipped down.

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

TITLE Area Superintendent

DATE April 10, 1980

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

NMCCC

APPROVED
AS AMENDED

DATE

JUL 1980
James P. Sims
DISTRICT ENGINEER

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

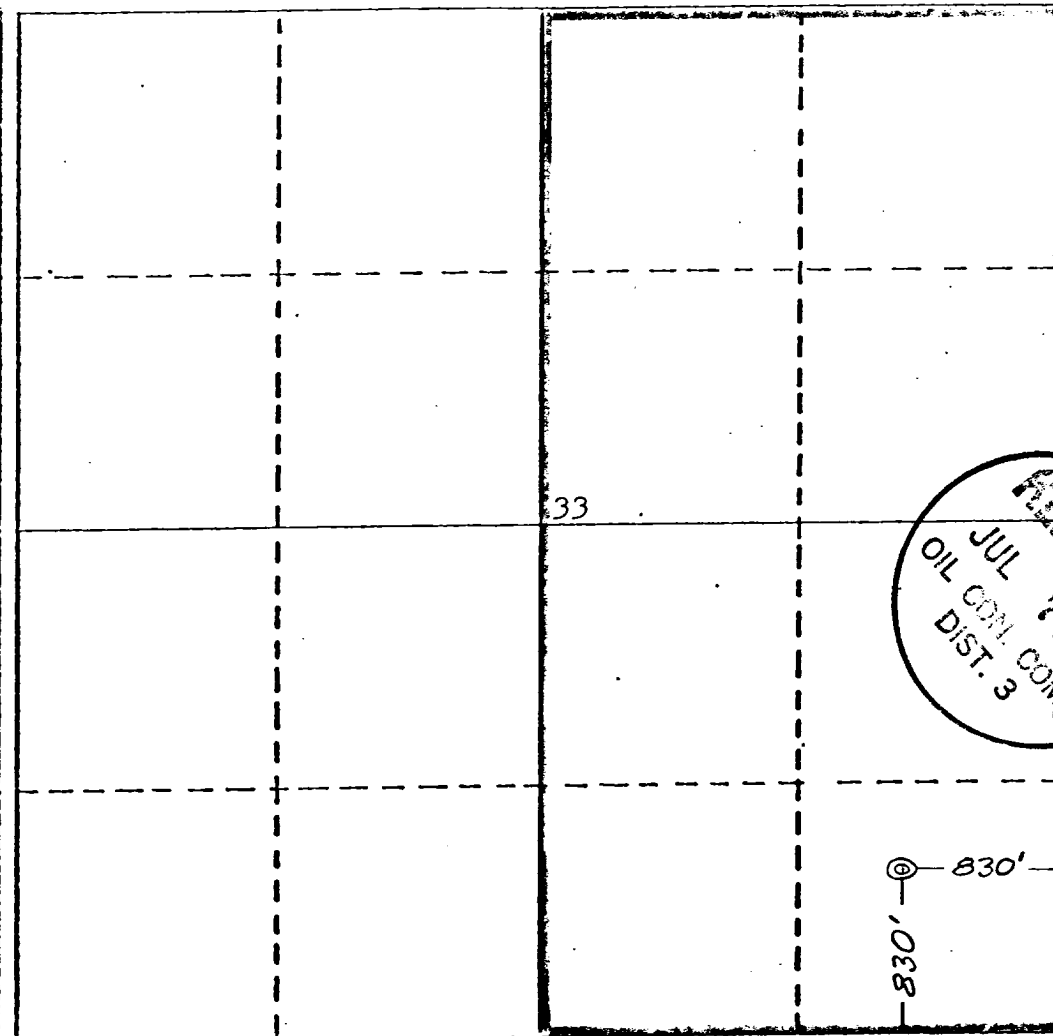
Operator SUPRON ENERGY CORPORATION			Lease ZACHRY		Well No. 16-E
Unit Letter P	Section 33	Township 29 NORTH	Range 10 WEST	County SAN JUAN	
Actual Footage Location of Well: 830 feet from the SOUTH line and 830 feet from the EAST line					
Ground Level Elev. 5737	Producing Formation DAKOTA		Pool BASIN	Dedicated Acres: 2/2 320 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.

Rudy D. Motto
Name

Rudy D. Motto

Position

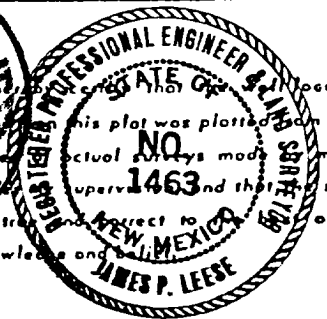
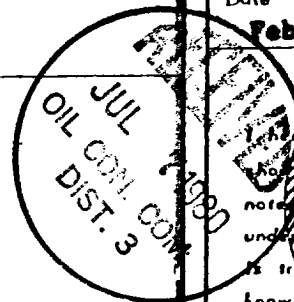
Area Superintendent

Company

SUPRON ENERGY CORPORATION

Date

February 29, 1980



Date Surveyed

February 20, 1980

Registered Professional Engineer
and/or Land Surveyor

James P. Leese
James P. Leese

Certificate No.

1463

0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600 6930 7260 7590 7920 8250 8580 8910 9240 9570 9900

SUPRON ENERGY CORPORATION

Zachry No. 16-E
SE ¼ Section 33, 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 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 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) 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 loam with the principal vegetation being sagebrush, juniper, snakeweed, rabbitbrush, galleta, prickley pear, three-awn, narrow leaf yucca and indian ricegrass.

SUPRON ENERGY CORPORATION

Zachry No. 16-E
SE ¼ Section 33, 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 920 ft.
 - B. Top of the Fruitland 1650 ft.
 - C. Top of the Pictured Cliffs 1950 ft.
 - D. Top of the Chacra 2520 ft.
 - E. Top of the Cliff House 3642 ft.
 - F. Base of the Greenhorn 6217 ft.
 - G. Top of the Dakota 6292 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 920 ft. Water
 - B. Top of the Fruitland 1650 ft. Water
 - C. Top of the Pictured Cliffs 1950 ft. Gas
 - D. Top of the Chacra 2520 ft. Gas
 - E. Top of the Cliff House 3642 ft. Gas
 - F. Top of the Dakota 6292 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 - 6650 ft. Permaloid, non dispersed mud containing approximately 200 sx of gel, 80 sx of permaloid and 20 sx of C.M.C.
7. The auxiliary equipment to be used will be floats at the first and a sub on the floor with a full opening valve to be stabbed into the drillpipe 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 any abnormal pressures, temperatures or hydrogen sulfide problems in this highly developed area.
10. The anticipated starting date for this well is July 15, 1980, dependent on rig availability.

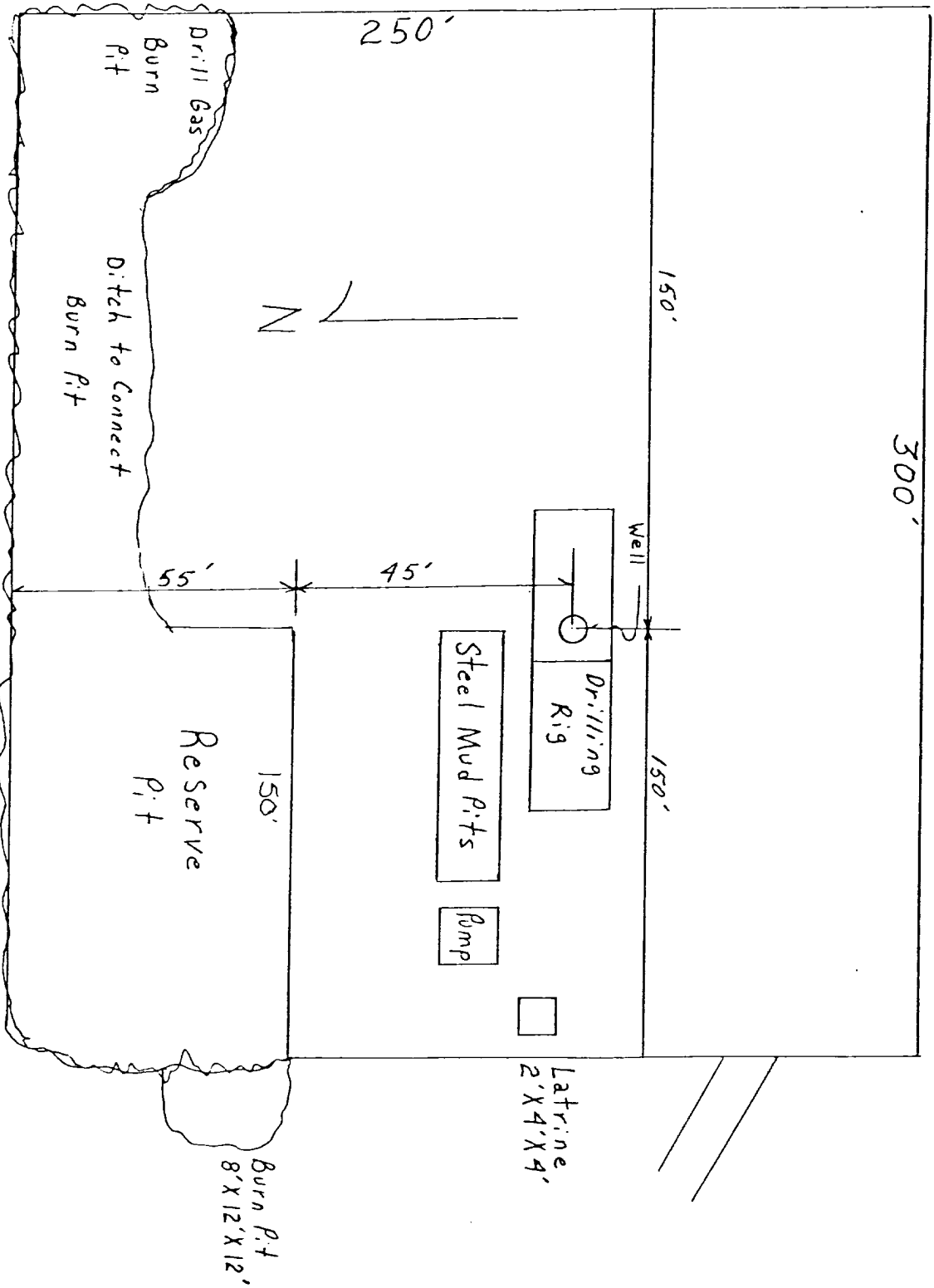
Supron Energy Corporation
Zachry #16-E
Sec. 33, T29N, R10W, N.M.P.M.,
San Juan County, New Mexico

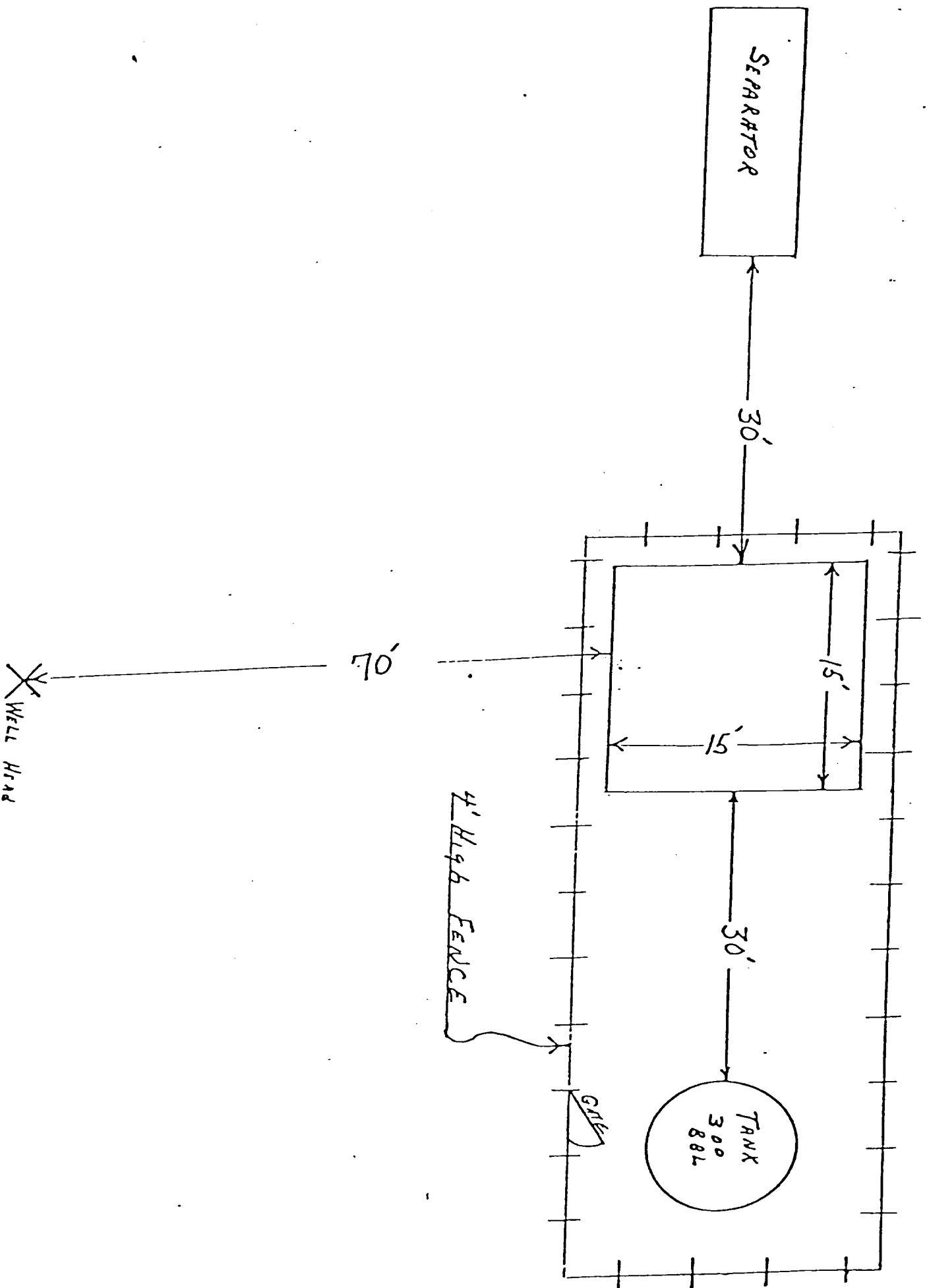
LOCATION AND EQUIPMENT LAYOUT

SUPRON ENERGY CORPORATION

Zachry No. 16-E

830 feet from the South line and 830 feet from the East line
of Section 33, Township 29 North, Range 10 West, N.M.P.M.,
San Juan County, New Mexico

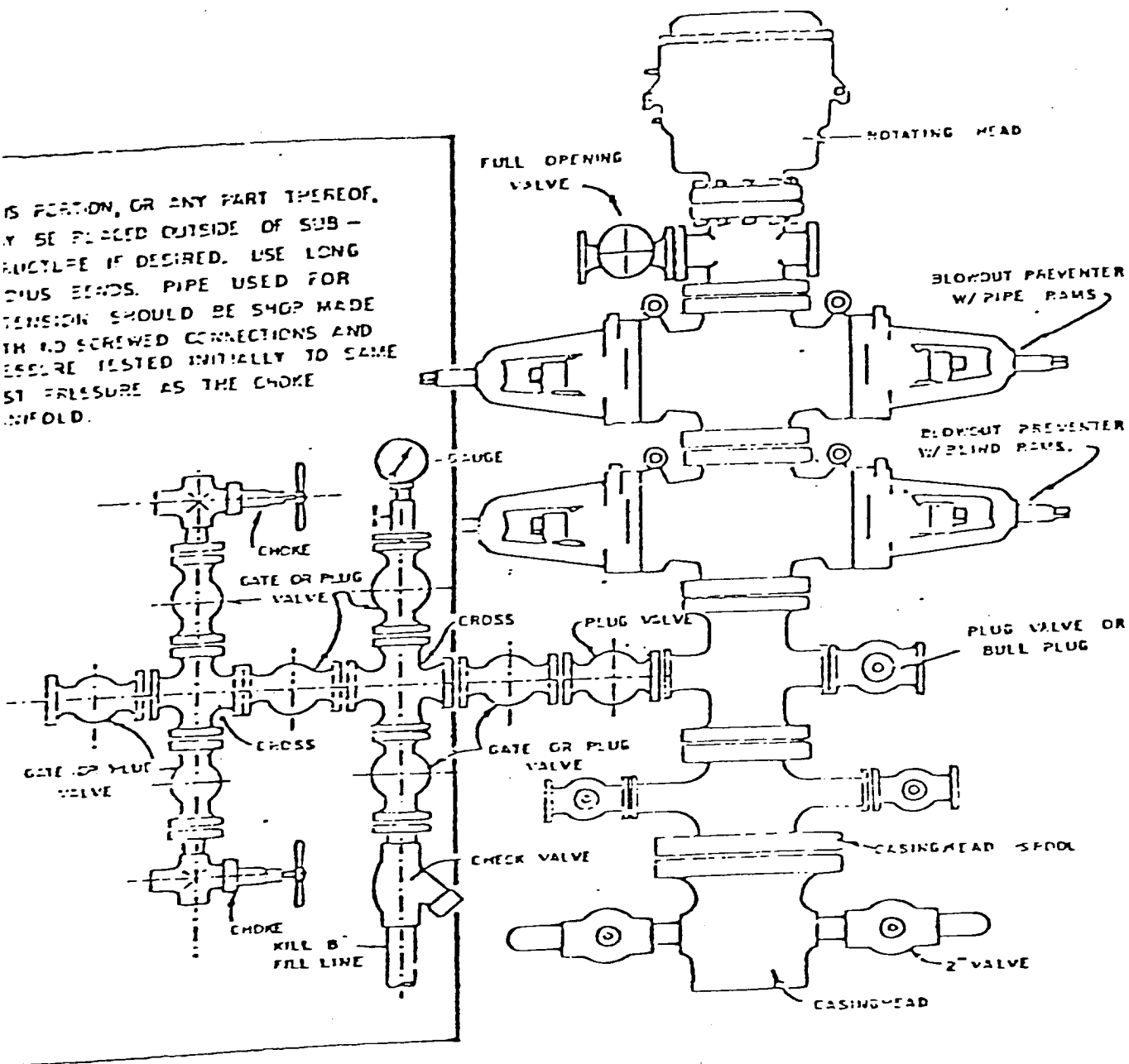




Blowout Preventer will be tested daily and prior to drilling out with the results to be logged on the drillers report.

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

IS PORTION, OR ANY PART THEREOF, MAY BE PLACED OUTSIDE OF SUB - RUCTURE IF DESIRED. USE LONG JOINTS. PIPE USED FOR TENSION SHOULD BE SHOP MADE WITH SCREWED CONNECTIONS AND BE TESTED INITIALLY TO SAME STRESSURE AS THE CHOKE LINEFOLD.



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