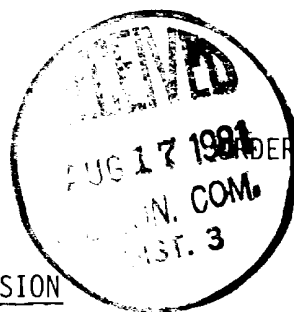


THE APPLICATION OF SUPRON ENERGY CORPORATION
FOR A DUAL COMPLETION



ORDER NO. MC-2896

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION

Under the provisions of Rule 112-A Supron Energy Corporation made application to the New Mexico Oil Conservation Division on June 29, 1981, for permission to dually complete its Congress Well No. 7-E located in Unit E of Section ~~24~~³⁴ Township 29 North, Range 11 West, NMPM, San Juan County, New Mexico, in such a manner as to permit production of gas from the Chacra Formation adjacent to the Bloomfield-Chacra Pool and the Basin-Dakota Pool.

NOW, on this 27th day of July, 1981, the Division Director finds:

1. That application has been filed under the provisions of Rule 112-A of the Division's Rules and Regulations;
2. That satisfactory information has been provided that all operators of offset acreage have been duly notified;
3. That no objections have been received within the waiting period as prescribed by said rule;
4. That the proposed dual completion will not cause waste nor impair correlative rights; and
5. That the mechanics of the proposed dual completion are feasible and consonant with good conservation practices.

IT IS THEREFORE ORDERED:

That the applicant herein, Supron Energy Corporation, be and the same is hereby authorized to dually complete its Congress Well No. 7-E located in Unit E of Section ~~24~~³⁴ Township 29 North, Range 11 West, NMPM, San Juan County, New Mexico in such a manner to permit production of gas from the Chacra Formation adjacent to the Bloomfield-Chacra Pool and the Baskin-Dakota Pool, through the casing-tubing annulus and the tubing respectively.

PROVIDED HOWEVER, That applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A.

PROVIDED FURTHER, That applicant shall take packer-leakage tests upon completion and annually thereafter.

IT IS FURTHER ORDERED: That jurisdiction of this cause is hereby retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

JOE D. RAMEY
Division Director



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE 6-30-81

RE: Proposed MC α
Proposed DHC _____
Proposed NSL _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated 6-29-81
for the Supron Congress #7E E-34-29N-110
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve

Yours truly,

Frank J. Cheng

OIL CONSERVATION DIVISION

P. O. BOX 2088

Form C-107
Revised 10-1-78STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

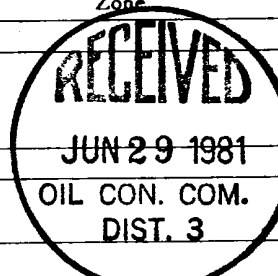
SANTA FE, NEW MEXICO 87501

APPLICATION FOR MULTIPLE COMPLETION

Operator <i>SUPRON ENERGY CORPORATION</i>		County <i>San Juan</i>		Date <i>June 25, 1981</i>
Address <i>P.O. Box 808, Farmington, New Mexico 87401</i>		Lease <i>Congress</i>		Well No. <i>7-E</i>
Location of Well <i>E</i>	Unit <i>E</i>	Section <i>34</i>	Township <i>29 North</i>	Range <i>11 West -</i>

1. Has the New Mexico Oil Conservation Division heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES _____ NO XX
2. If answer is yes, identify one such instance: Order No. _____; Operator Lease, and Well No.: _____

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	<i>Bloomfield Chacra Ext.</i>		<i>Basin Dakota</i>
b. Top and Bottom of Pay Section (Perforations)	<i>2723 - 2845</i>		<i>6202 - 6347</i>
c. Type of production (Oil or Gas)	<i>Gas</i>		<i>Gas</i>
d. Method of Production (Flowing or Artificial Lift)	<i>Flowing</i>		<i>Flowing</i>



4. The following are attached. (Please check YES or NO)

Yes	No	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.*
<input checked="" type="checkbox"/>	<input type="checkbox"/>	d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed it shall be submitted as provided by Rule 112-A.)

5. List all offset operators to the lease on which this well is located together with their correct mailing address.

Amoco Production Co. - 17th & Broadway, Denver, Colorado 80202

Chaparral Oil & Gas - P.O. Box B, Aztec, New Mexico 87410

W.M. Gallaway - 101-2 Petroleum Plaza Bldg., Farmington, New Mexico 87401

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES XX NO _____. If answer is yes, give date of such notification January 15, 1981.

CERTIFICATE: I, the undersigned, state that I am the Production Superintendent of the SUPRON ENERGY CORPORATION (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

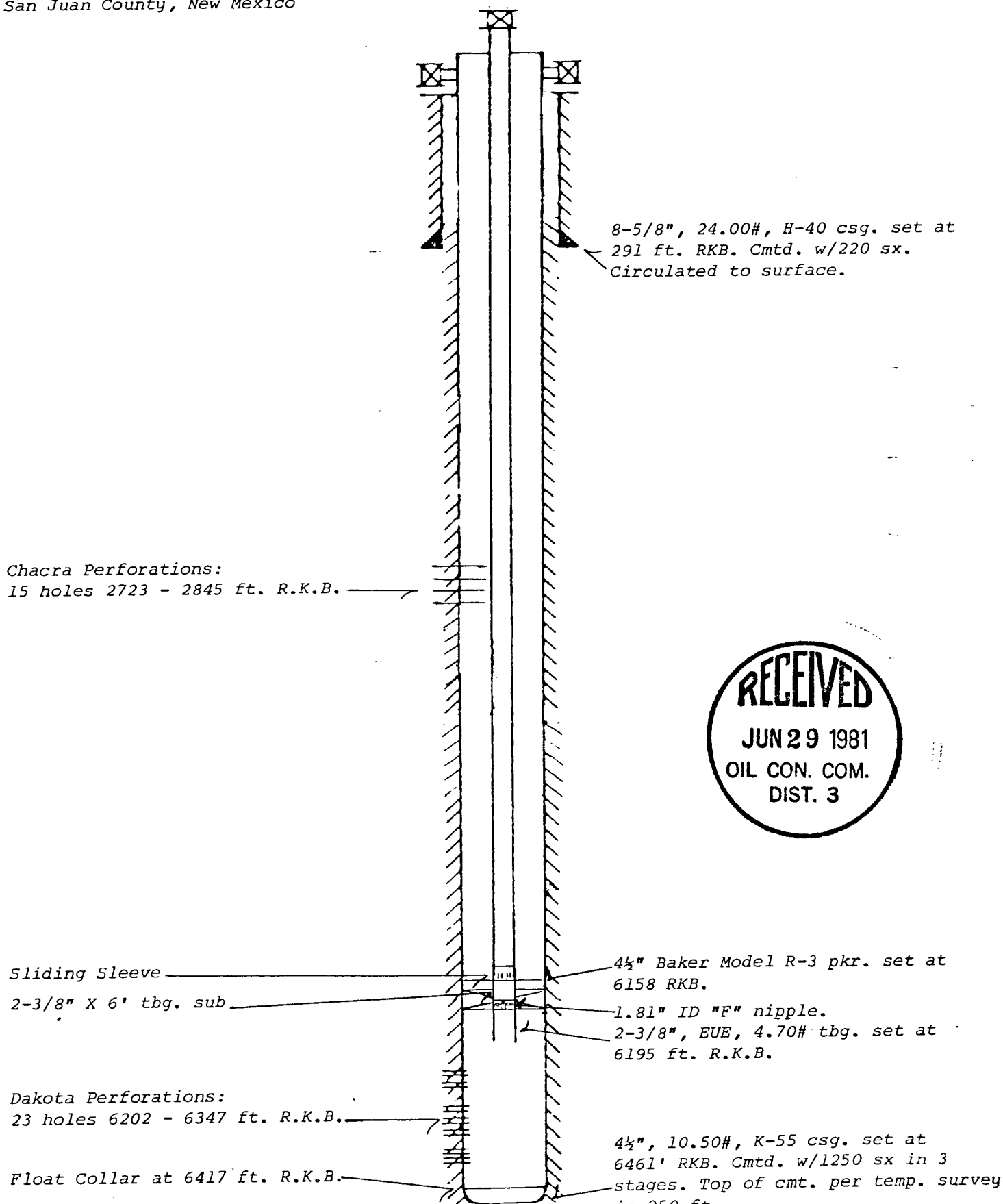
Kenneth E. Roddy

Signature

*Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Division will hold the application for a period of twenty (20) days from date of receipt by the Division's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.

NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard perforation unit in one or more of the pools, the applicant must file a separate application with this application.

SUPRON ENERGY CORPORATION
 Congress No. 7-E
 1615 ft./N ; 1760 ft./W line
 Sec. 34, T-29N, R-11W
 San Juan County, New Mexico



OIL CONSERVATION DIVISION
SANTA FE, NEW MEXICO
PACKER-SETTING AFFIDAVIT
(Dual Completion)

STATE OF New Mexico)
)
COUNTY OF San Juan)

Marvin Kruschke, being first dually sworn according to law upon his oath deposes and says:

That he is of lawful age and has full knowledge of the facts herein below set out.

That he is employed by Baker Packers in the capacity of

Office Manager and as such as its authorized agent.

That on June 8, 19 81, he personally supervised the setting of
a Baker 4½" Model R-3 Double-Grip Packer in Supron Energy Corporation's
(Make and Type of Packer) (Operator)

Congress Well No. 7-E, located in Unit Letter
E, Section 34, Township 29 North, Range 11 West,
N.M.P.M., _____ County, New Mexico.

That said packer was set at a subsurface depth of 6158 feet, said depth
measurement having been furnished by John Walters

That the purpose of setting this packer was to effect a seal in the annular space between the two strings of pipe where the packer was set so as to prevent the commingling, within the well-bore, of fluids produced from a stratum below the packer with fluids produced from a stratum above the packer. That this packer was properly set and that it did, when set, effectively and absolutely seal off the annular space between the two strings of pipe where it was set in such manner as to prevent any movement of fluids across the packer.

Baker Packers
Company

Marvin Kruschke
Its Agent

Subscribed and sworn to before me this the 25th day of June, AD, 19 81.

Beth J. Stuart
Notary Public

My Commission Expires: August 25, 1984