SUBMIT IN TRIPLICATE*

Form approved. Budget Bureau No. 42-R1425.

(Other instructions on reverse side)

UNITED STATES 5. LEASE DESIGNATION AND SERIAL NO. DEPARTMENT OF THE INTERIOR

	GEOLO	GICAL SURVEY			NM 02555	
APPLICATION	N FOR PERMIT	TO DRILL, DEEF	PEN, OR PLUG B	ACK	6. IF INDIAN, ALLOTTE	OR TRIBE NAME
. TYPE OF WORK	LL X	DEEPEN	PLUG BAC	CK 🗆	7. UNIT AGREEMENT N	A M E
TYPE OF WELL OIL C	AS 🕡		SINGLE X MULTIPE	LE	8. FARM OR LEASE NAM	d B
WELL W	AS OTHER		ZONE X ZONE		McCroden "B'	1
Supron Energy Corporation					9. WELL NO.	
ADDRESS OF OPERATOR					3	·
P.O. Box 808,	Farmington, N	ew Mexico 87401			10. FIELD AND POOL, O	0 1
At suriace		in accordance with any	1 1 -		Blanco Mesav	
_	t./South and 1	AND SURVEY OR AL	SEA.			
At proposed prod. zone Same as above					Sec. 4, T-25N, R-3W, N.M.P	
DISTANCE IN MILES	AND DIRECTION FROM NEA	REST TOWN OR POST OFFI	U. S. GEOLOGICAL	SURVEN	12 COUNTY OR PARISH	13. STATE
	East of Ojito		U. S. GEOLOGIONE FARMINGTON,	N. 151.	Rio Arriba	New Mexico
DISTANCE FROM PROPO LOCATION TO NEARES	SED* 865 Ft.	16.	NO OF ACRES IN LEASE		F ACRES ASSIGNED HIS WELL	
PROPERTY OR LEASE I	INE, FT. 8	65 Ft.	120.00	S 1	/2 355.52	
8. DISTANCE FROM PROPOSED LOCATION* 19. PROPOSED DEPTH 20.					OTARY OR CABLE TOOLS	
OR APPLIED FOR, ON TH	6300	Rotary 1 22. APPROX. DATE WORK WILL START*				
	ether DF, RT, GR, etc.)				1	
7234 GR					1 December	1900
		PROPOSED CASING AN	ND CEMENTING PROGRA	····		
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH		QUANTITY OF CEMENT	
12-1/4"					200 Sacks	
7-7/8"	4-1/2"	10.5	6300		5 Sacks	
surface casing surface. Dril sun new 4-1/2" and stage ceme cool set at apstimulate productly head. Te	Cement surfall out w/7-7/8" casing and cent w/150 sx of prox. 4050 ft. uction and cleast well and control of the proposed PROGRAM: If drill or deepen direction	bit using mud ment in stages Howco lite fol Perforate the an well up. Ru mect to a pipe proposal is to deepen or ally, give pertinent data	plug back, give data on p on subsurface locations an	and circing me stage of cla desaver coducti	culate cement dium to T.D. o 375 sx of 50-5 ss "B" cment w de zone, fract on zone. Nipp	to the f ± 6300 ft. 0 poz mix, ith the D.V. ure to le down the
SIGNED RUDY D.	Motto		Area Superintend	lent	DATE Octo	ber 14, 1980
(This space for Fede	ral or State office use)		1 2 4 4		•	
PERMIT NO.	AT INTERE	<u> </u>	APPROVAL DATE			
:	O 100 0 7 00	04			TAME	
APPROVED BY	for her ene	TITLE			DATE	
	063~					

WELL LOCATION AND ACREAGE DEDICATION PLAT

All distances must be from the outer houndaries of the Section. Well No. MCCRODEN SUPRON ENERGY CORPORATION County Township Section Unii Letter 25 NORTH 3 WEST RIO ARRIBA K Actual Festage Location of Well: 1685 WEST feet from the SOUTH 1775 Dedicated Acreages Producing Formation Ground Level Cler. 320.00 BLANCO MESAVERDE 7234 1. Outline the acreage dedicated to the subject well by colored pencil or hachuse marks on the plat below. 2. Il 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? JAN 16 100 Il answer is "yes," type of consolidation No. 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, forced-pooling, or otherwise) or until a non-standard unit, climinating such interests, has been approved by the Commis-CERTIFICATION I hereby certify that the Information comtained herein is true and complete to the Rudy D. Motto Position Area Superintendent Supron Energy Corporation January 15, 1981 1685 Date Surveyed August 28, 1980 Registered Professional Engineer Leese James Certificote No. - 1463 1000 NIMACC

SUPRON ENERGY CORPORATION

Post Office Box 808
FARMINGTON, NEW MEXICO 87401

October 14, 1980

United States Geological Survey P.O. Box 959 Farmington, New Mexico 87401

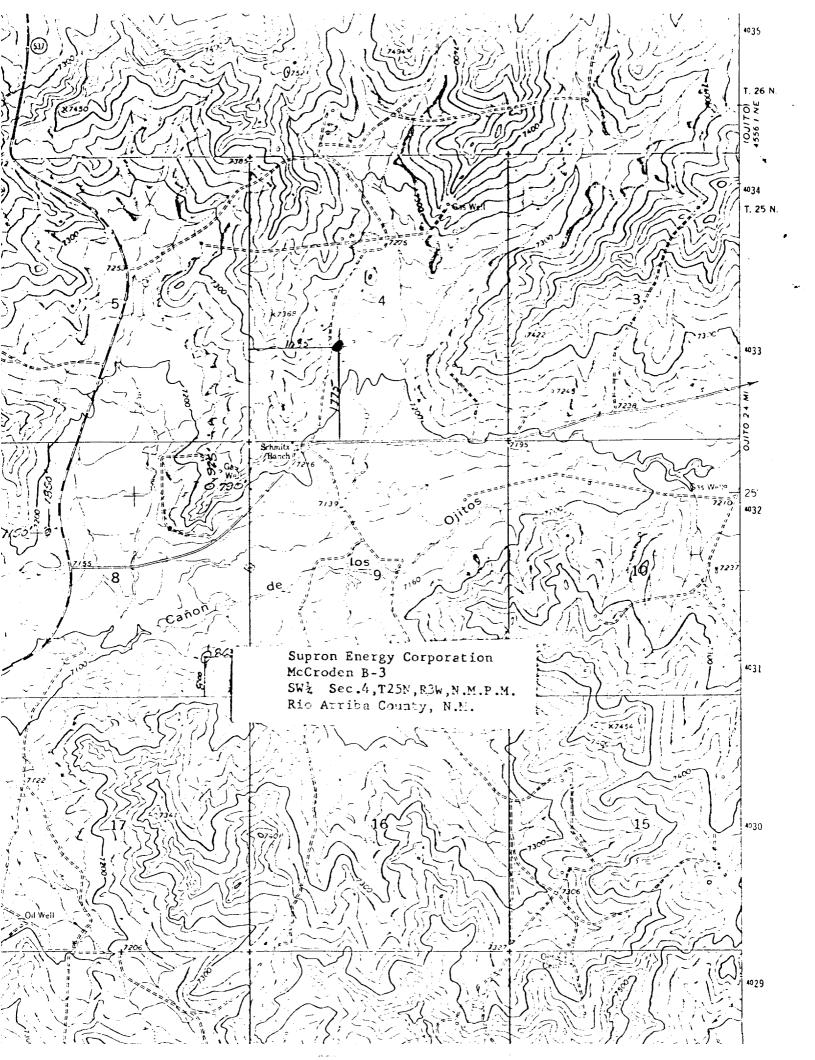
Attention: Mr. James Sims

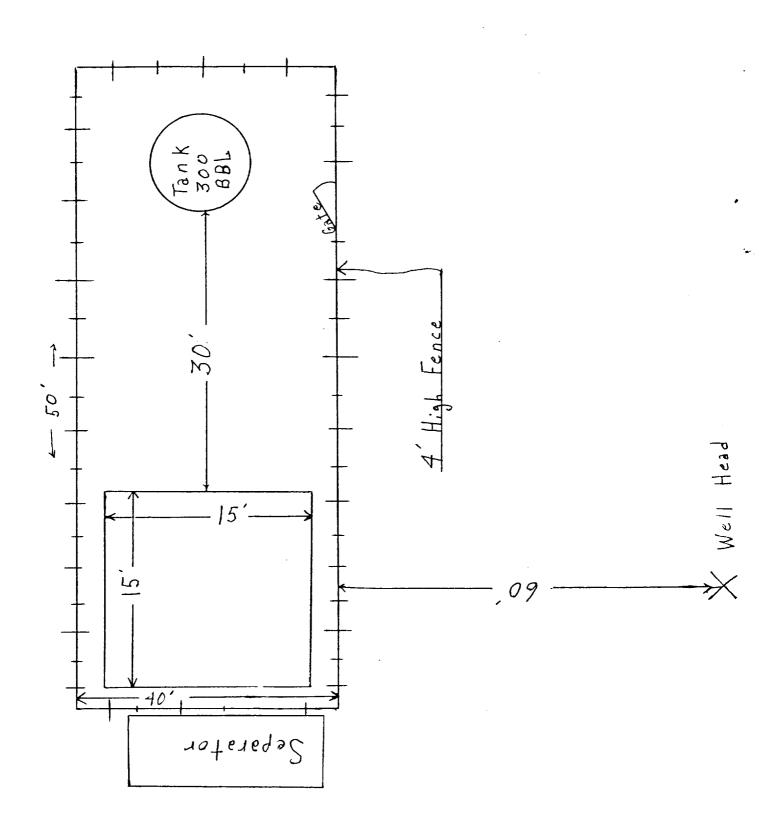
Dear Sir:

Supron Energy Corporation proposes to drill the McGroden "B" No. 3 well located 1775 feet from the South line and 1685 feet from the West line of Section 4, Township 25 North, Range 3 West, N.M.P.M., Rio Arriba County, New Mexico.

The following attachments are included with this application:

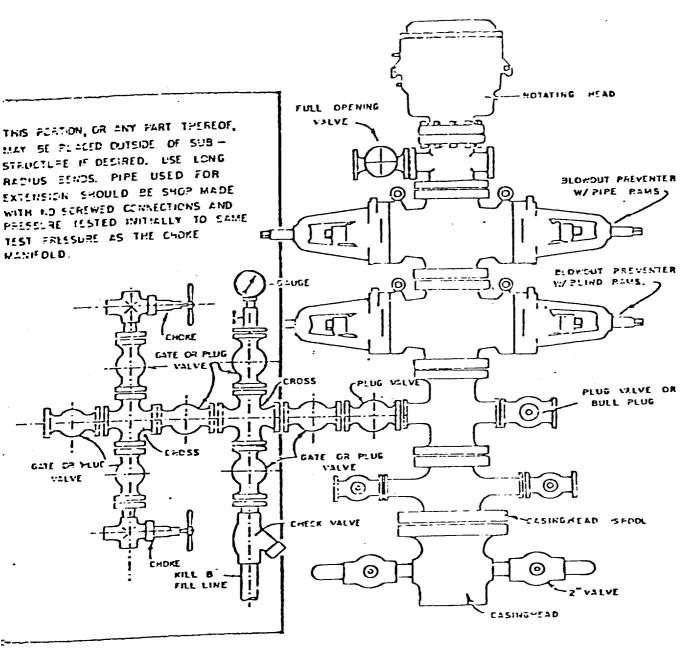
- 1. Map of existing roads.
- 2. No access road is needed.
- 3. Location of existing wells.
- 4. Lateral roads to well locations.
- 5. Location of surface equipment if required.
- 6. Drilling and completion water will be obtained from our water well in Wild Horse Canyon.
- 7. Waste will be disposed of by being placed in the reserve pit and buried upon completion of the well.
- 8. There will be no camp at or near the well 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 etc.
- 11. 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. 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 it will be filled and restored to its natural state.
- 13. The soil is sandy loam with the principal vegetation being sage juniper, greasewood, broom snakeweed, alkali sacation, indian ricegrass, grama, prickley pear cactus, saltbush, narrow leaf yucca and ephedra.





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

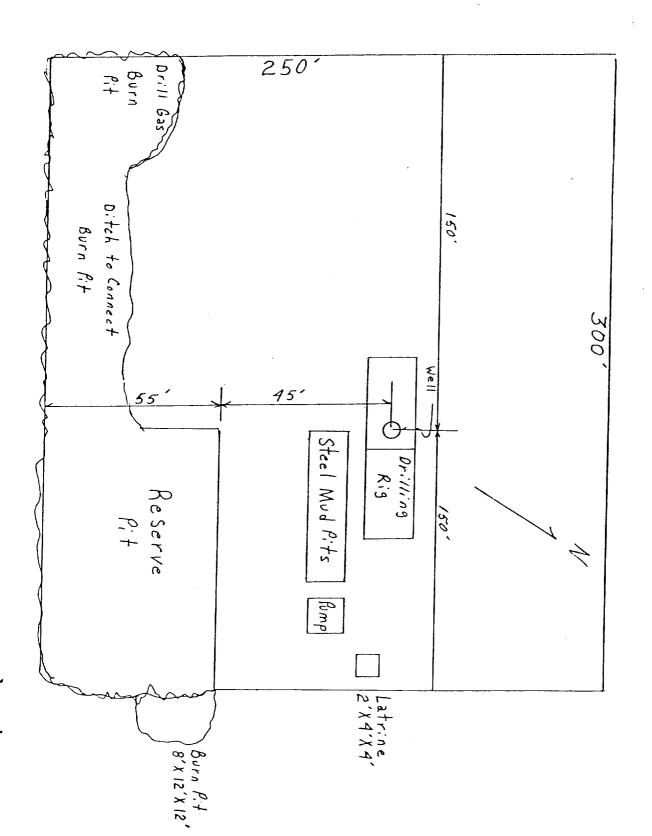
The B.O.P. and all valve and fittings are rated at 3000 psi working pressure, and hydraulically operated



BLOWOUT PREVENTER HOCKUP

SUPRON ENERGY CORPORATION MC CRODEN "B" NO. 3

Sec. 4, Twp. 25-N, Rge. 3-W Rio Arriba County, New Mexico



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 b. Motto

Area Superintendent

Phone: 325-3587

SUPRON ENERGY CORPORATION

McCroden "B" No. 3
SW % Section 4, T-25N, R-3W, N.M.P.M.
Rio Arriba 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 - - - - - - 3585'
 - B. Top of the Fruitland - - - - - 3808'
 - C. Top of the Pictured Cliffs - - - 3900'

 - E. Top of the Point Lookout - - - - 6036'
- 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 - - - - - 3585' Water
 - B. Top of the Fruitland - - - - - 3808' Water
 - C. Top of the Pictured Cliffs - - - 3900' Ga

 - E. Top of the Point Lookout - - - - - - G036' Gas
- 4. The casing program is shown on 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 to 250 feet Natural mud
 - B. 200 to 6036 feet Permaloid non dispersed mud containing approximately 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 December 15, 1980.