5. LEASE

UNITED STATES DEPARTMENT OF THE INTERIOR

DEPARTMENT OF THE INTERIOR	SF-078430
GEOLOGICAL SURVEY	6. IF INDIAN, ALLOTTEE OR TRIBE NAME
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to deepen or plug back to a different eservoir. Use Form 9-331-C for such proposals.)	N/A 7. UNIT AGREEMENT NAME N/A 8. FARM OR LEASE NAME
1. oil gas & other Supron Energy Corp.	Newsom A
2. NAME OF OPERATOR C/O John H. Hill et al	9. WELL NO. 12
Suite 020, Kysar Bldg., 300 West Arrington,	10. FIELD OR WILDCAT NAME
3. ADDRESS OF OPERATOR Lura Farmington, New Mexico 87401 Attn:Wallis	Pictured Cliffs
4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
below.)	Sec. 3 T26N R8W
AT SURFACE: 870' FSL & 1030' FEL (SE SE) AT TOP PROD. INTERVAL:	12. COUNTY OR PARISH 13. STATE
AT TOTAL DEPTH: 5200'	San Juan New Mexico
6. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE,	14. AFT NO.
REPORT, OR OTHER DATA	15. ELEVATIONS (SHOW DF, KDB, AND WD) 6838 GR
REQUEST FOR APPROVAL TO: SUBSEQUENT REPORT OF:	occo an
REPAIR WELL	(NOTE: Report results of multiple completion or zone change on Form 9–330.)
17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly stat including estimated date of starting any proposed work. If well is d measured and true vertical depths for all markers and zones pertiner	irectionally drilled, give subsurface locations and
The Newsom "A" #12 will be completed in the P of 3200'. See cement and casing program attacks	ched.
	_ 1997 2 0 1990 — 1994. сом. — 2.37. з
Subsurface Safety Valve: Manu. and Type	Set @ Ft.
18. I hereby cortify that the foregoing is true and correct Agent Cons	ultant
SIGNED WAL Tapaseo Lase for Supron En	ergy DATE 11 November 1980
Corporation	
APPROVED	rice use)
APPROVED TO TITLE TITLE TITLE	DATE
NOV 1 9 1980 , 3-	

EXHIBIT "B"

TEN-POINT COMPLIANCE PROGRAM

OF NTL-6 APPROVAL OF OPERATIONS

Attached to Form 9-331C Supron Energy Corporation Newsom A #12 SE SE Sec. 3 T26 R8W 870' FSL & 1030' FEL San Juan County, New Mexico

The Geologic Surface Formation

The surface formation is the Wasatch.

Estimated Tops of Important Geologic Markers

Ojo Alamo Kirtland Fruitland Pictured Cliffs	1380' 1870' 2210' 2830'	
Total Depth	3200'	

Estimated Depths of Anticipated Water, Oil, Gas or Minerals

Ojo Alamo	1380 '	Water
Kirtland	1870	Water
Fruitland	2210'	Water
Pictured Cliffs	28 30 '	Gas

4.	The	Proposed	Casing	Program
----	-----	----------	--------	---------

4.	The Proposed Casing Program			NEW	
HOLE	INTERVAL	SECTION	SIZE	WEIGHT, GRADE	OR
SIZE		LENGTH	(OD)	& JOINT	USED
12¼"	0-200'	200'	8 5/8"	24# K-55 ST&C	New
6¼"	0-3,200'	3,200'	2 7/8"	6.5# CW-55 8rd.	New

Cement Program: Single stage - Lead slurry 50/50 cement, pozz, 6% gel ½ CuFt perlite. Follow up slurry to be class "B" neat cement (sufficient to cover exposed Ojo Alamo sandstone).

5. The Operator's Minimum Specifications for Pressure Control

EXHIBIT "C" is a schematic diagram of the blowout preventer equipment. The BOP's will be hydraulically tested to half of working pressure after nippling up and after any use under pressure. Pipe rams will be operationally checked each 24-hour period, as will blind rams each time pipe is pulled out of the hole. Such checks of BOP will be noted on daily drilling reports.

ـ بنوب د

Accessories to BOP will include a floor safety valve, drill string BOP and choke manifold with pressure rating equivalent to the BOP stack.

6. The Type and Characteristics of the Proposed Circulating Muds

Mud system will be fresh water gel with adequate stocks of sorptive agents on site to handle possible spills of fuel and oil on the surface. Heavier muds will be on location to be added if pressure requires.

DEPTH	TYPE	WEIGHT #/gal.	VISCOSITY-sec./qt.	FLUID LOSS cc
0-200' 200'- TD	Natural Mud Fresh Water gel	8.4-9.5	35-45	Less than 10

The Auxiliary Equipment to be Used

- (a) A kelly cock will be used.
- (b) A float will be used at the bit.
- (c) Neither a mud logging unit nor a gas detecting device will be monitoring the system.
- (d) A stabbing valve will be on the floor to be stabbed into the drill pipe when kelly is not in the string.

8. The Testing, Logging and Coring Programs to be Followed

- (a) No DST's are anticipated.
- (b) The logging program will consist of an IDS and a GR density over selected intervals. Other logs will be determined at well site to best evaluate any shows.
- (c) No coring is anticipated.
- (d) Stimulation procedures will be determined after evaluation of logs. If treatment is indicated, appropriate Sundry Notice will be submitted.

9. Any Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures have been noted or reported in wells drilled in the area nor at the depths anticipated in this well.

No hydrogen sulfide or other hazardous fluids or gases have been found, reported or known to exist at these depths in the area.

10. Anticipated Starting Date and Duration of the Operations

The anticipated starting date will be as soon as possible after examination and approval of drilling requirements. Operations should be completed within five days after spudding the well and drilling to casing point.