

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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

990 ft./North line and 1650 ft./West line

At proposed prod. zone

Same as above

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

6 miles south of Bloomfield, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

990 ft.

990 ft.

18. DISTANCE FROM PROPOSED LOCATION*

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

400 ft.

16. NO. OF ACRES IN LEASE

1894.08

19. PROPOSED DEPTH

6480

17. NO. OF ACRES ASSIGNED
TO THIS WELL

W 320.00

20. ROTARY OR CABLE TOOLS

Rotary

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

5807 Gr.

22. APPROX. DATE WORK WILL START*

August 1, 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	175 sx
7-7/8"	4-1/2"	10.50	6480	1275 sx

The surface hole will be drilled to +250 ft. Casing will be run and cemented with the cement being circulated back to the surface. The surface casing will be pressure tested. The well will be drilled to T.D. of approx. 6480 ft. using a starch base mud as the circulating medium. Pipe will be run and cemented in three stages with the estimated cement top to be at approx. 250 ft. The pipe will be pressure tested then the Dakota zone will be perforated and sand water fraced to stimulate production. The well will then be cleaned up, tubing run to the top of the Dakota zone and the wellhead 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 surface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED


Rudy D. Motto

TITLE Area Superintendent

DATE May 5, 1980

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

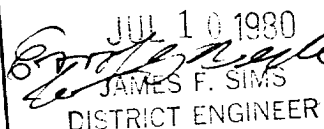
TITLE

CONDITIONS OF APPROVAL, IF ANY:

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

NMOCC

APPROVED
AS AMENDED

JUL 10 1980

JAMES F. SIMS
DISTRICT ENGINEER

All distances must be from the outer boundaries of the Section

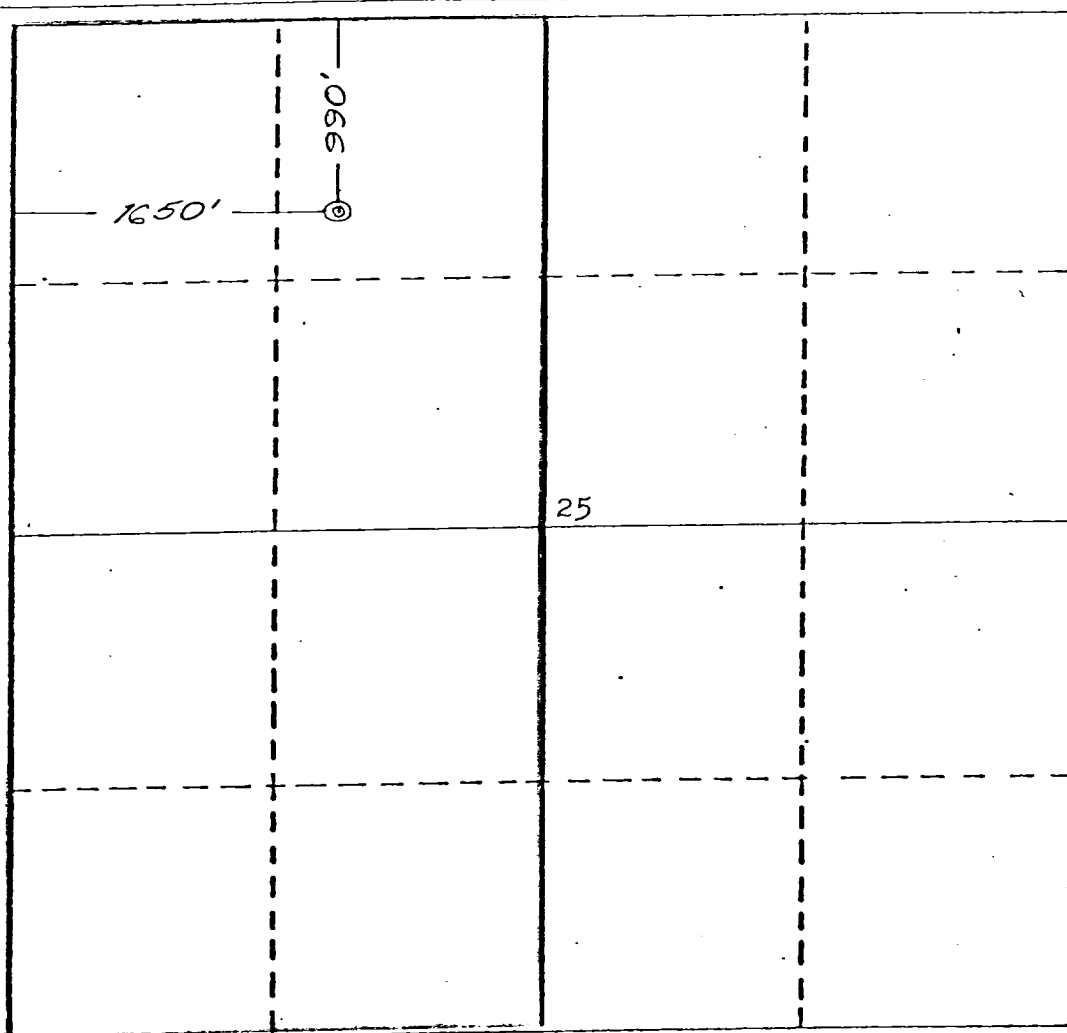
Operator SUPRON ENERGY CORPORATION			Lease ANGEL PEAK "B"		Well No. 27-E
Unit Letter C	Section 25	Township 28 NORTH	Range 11 WEST	County SAN JUAN	
Actual Footage Location of Well: 990 feet from the NORTH line and 1650 feet from the WEST line					
Ground Level Elev. 5807	Producing Formation Dakota		Pool Basin	Dedicated Acreage: W$\frac{1}{2}$ 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 D. Matto
Name

Area Superintendent

Position

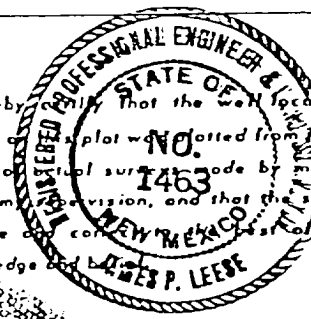
Supron Energy Corporation

Company

March 6, 1980

Date

I hereby certify that the location shown on the plat was plotted from field notes of actual survey made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.



Date Surveyed

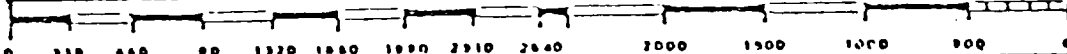
February 21, 1980

Registered Professional Engineer
and/or Land Surveyor

James P. Leese
James P. Leese

Certificate No.

1463

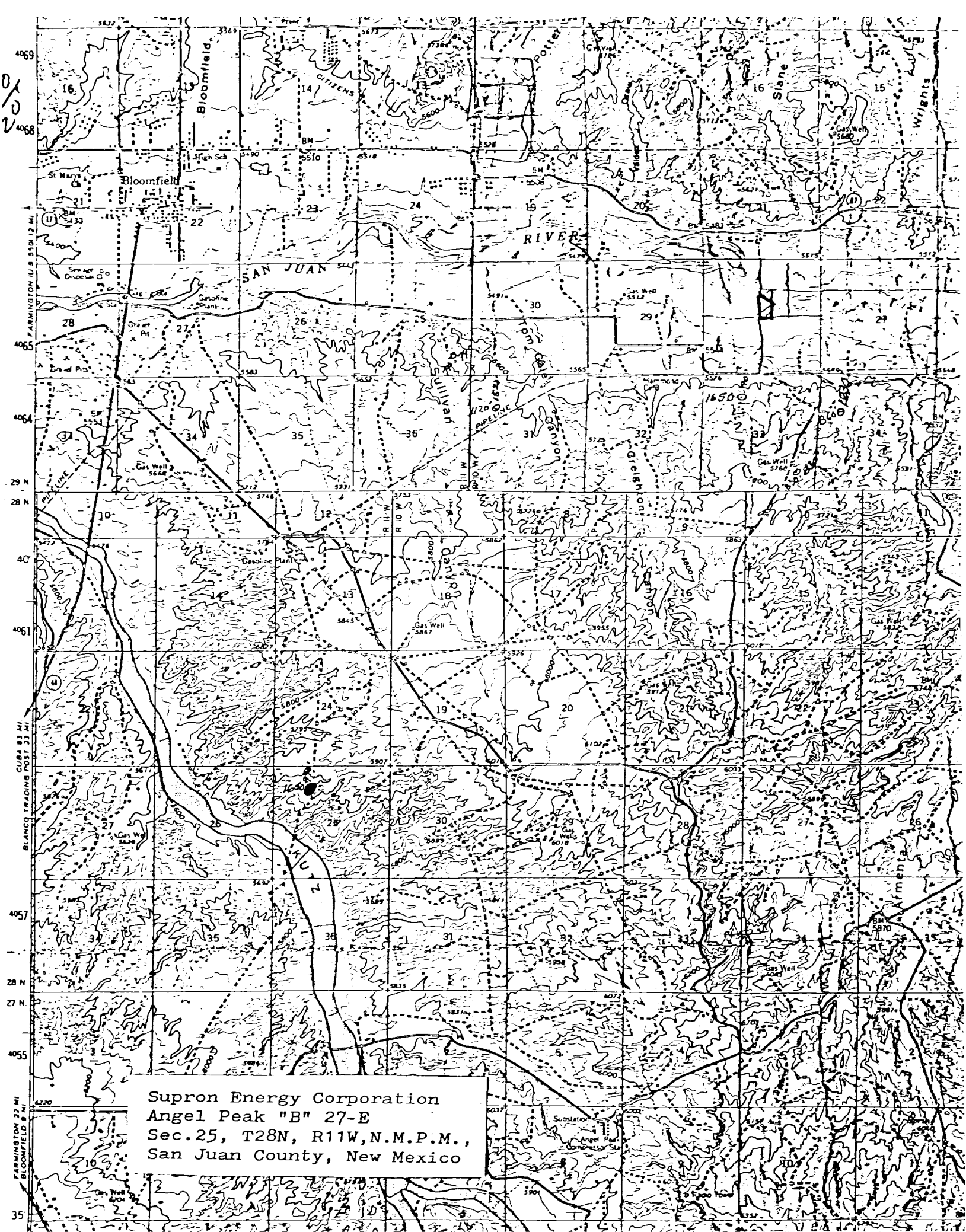


SUPRON ENERGY CORPORATION

*Angel Peak "B" No. 27-E
NW ¼ Sec. 25, T-28N, R-11W, N.M.P.M.
San Juan County, New Mexico*

The following attachments are included with this application:

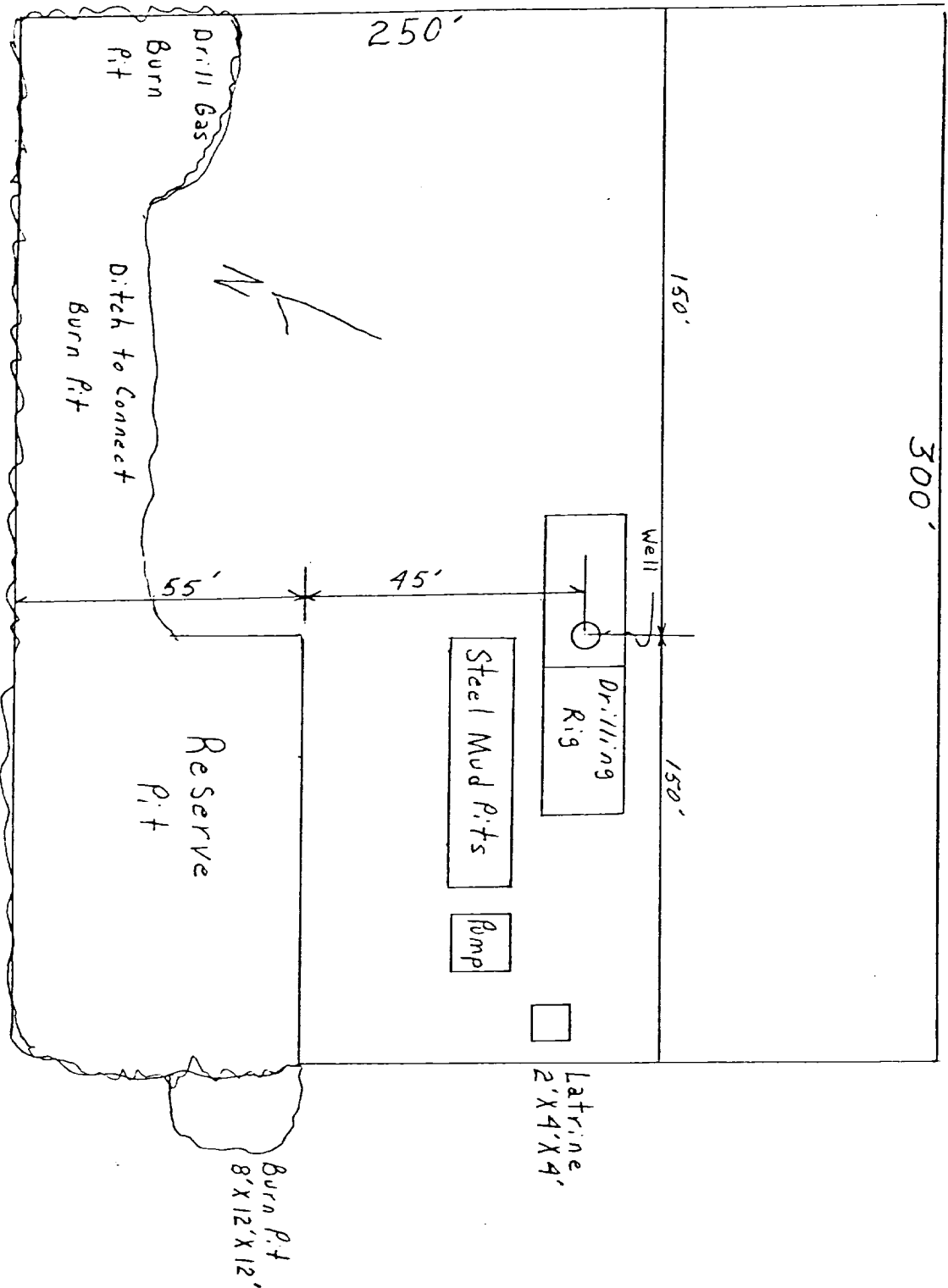
- 1. Topographical map showing the proposed location and access road.*
- 2. Planned access road is 400 feet long and 20 feet wide. The road will follow the natural contours of the land and will have drainage facilities installed to meet the requirements of N.T.L.-6. No extra surfacing materials will be used.*
- 3. Map showing existing producing 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 way 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 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 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 and then be filled and restored to its natural state.*
- 13. The soil is sandy loam, the principal vegetation is juniper, indian rice grass giant dropseed, sand dropseed, wolfberry, four-wing saltbrush, snakeweed, and rabbit brush.*

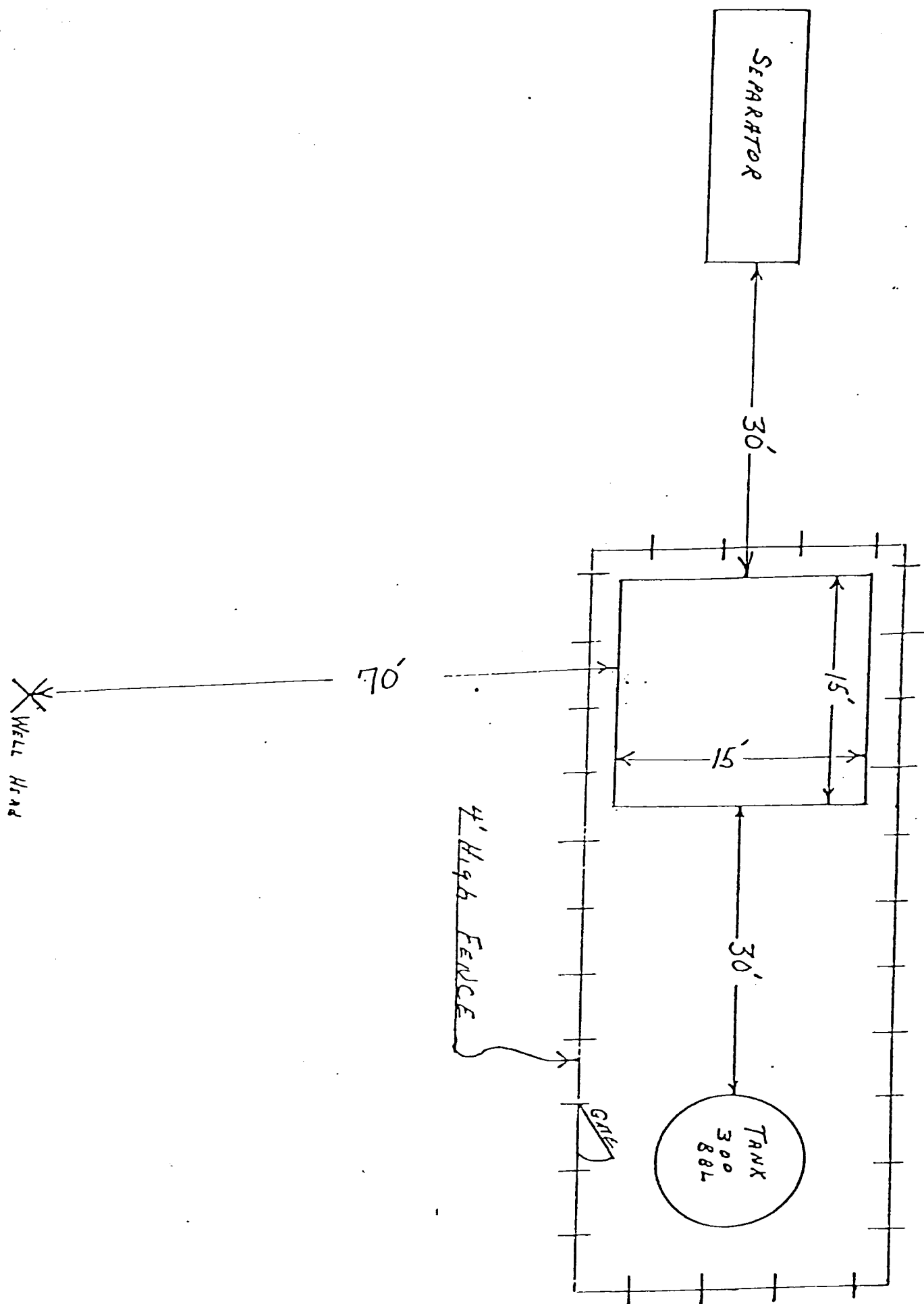


Supron Energy Corporation
Angel Peak "B" 27-E
Sec. 25, T28N, R11W, N.M.P.M.,
San Juan County, New Mexico

SUPRON ENERGY CORPORATION
ANGEL PEAK "B" NO. 27-E

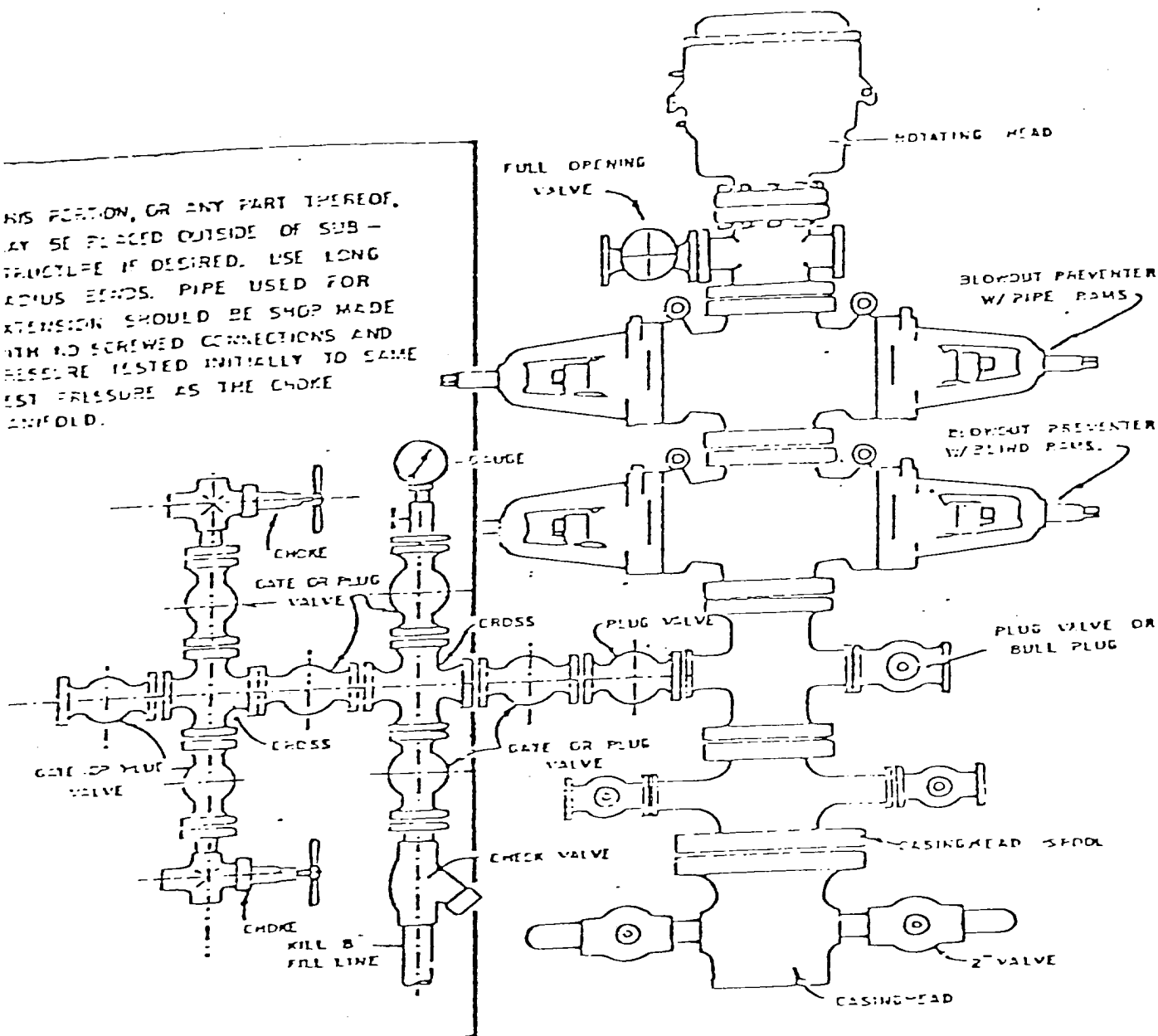
990 feet from the North line and 1650 feet from the West line of Section 25, Township 28 North, Range 11 West, N.M.P.M., San Juan County, New Mexico.





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

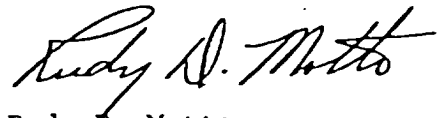


BLOWOUT PREVENTER HOCKUP

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

A handwritten signature in cursive script, reading "Rudy D. Motto".

Rudy D. Motto
Area Superintendent
Phone: 325-3587

SUPRON ENERGY CORPORATION

Angel Peak "B" No. 27-E

NW ¼ Sec. 25, T-28N, R-11W, 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	808 ft.
B. Kirtland	808 ft.
C. Fruitland	1476 ft.
D. Pictured Cliffs	1771 ft.
E. Chacra	2311 ft.
F. Cliff House	3293 ft.
G. Point Lookout	4123 ft.
H. Gallup	5327 ft.
I. Greenhorn	6165 ft.
J. Dakota	6199 ft.
3. The estimated depths at which anticipated water, oil or other mineral bearing formations are expected to be encountered are:

A. Ojo Alamo	808 ft.	Water
B. Kirtland	808 ft.	Water
C. Fruitland	1476 ft.	Water
D. Pictured Cliffs	1771 ft.	Gas
E. Chacra	2311 ft.	Gas
F. Cliff House	3293 ft.	Water
G. Point Lookout	4123 ft.	Water
H. Gallup	5327 ft.	Dry
I. Greenhorn	6165 ft.	Shale
J. Dakota	6199 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 - 6480 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 August 1, 1980.

COMMODITY: Natural Gas

EIA No. 400-80

Development Well (x) Exploratory Well ()

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
P. O. Box 959
Farmington, New Mexico 87401

SITE-SPECIFIC USUAL ENVIRONMENTAL ASSESSMENT
Concerning an
APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUGBACK

Date

July 10, 1980

PROPOSED ACTION: New Well (x) Workover () Re-entry ()

Surface Ownership: Public (BLM) Lease No.: Santa Fe 047017

Operator: Supron Energy Corp. Well No.: 27-E Angel Peak "B"

Location: 990' FNL & 1650' FWL Sec. 25, T. 28 N., R. 11 W., N.M.P.M.

County: San Juan State: New Mexico Pool: Basin Dakota

Well Type: Single Completion Proposed Depth: 6480' Formation: Dakota

Acres in Lease: 1894.08 Acres Dedicated: 320

Casing, cementing, and mud and BOP programs adequate: Yes

Estimated Commencement Date: Upon approval Duration: 20-25 days

LOCATION AND NATURAL SETTING:

Topography: Rolling to moderately broken

Distance to Nearest:

Town or populated area: 7 miles north to Bloomfield, New Mexico

Body of Water: 25 miles northeast to Navajo Reservoir

Residence or building: 3½ miles north

Utility right-of-way: 300' east

Oil or Gas Well: 300' east

Scenic or Aesthetic Sites: None

EFFECTS OF THE PROPOSED ACTION:

Surface Disturbance:

Access Road:

Length: 400' Width: 20' Acres: 0.1

Pad and Pit:

Size: 250' x 300' Acres: 1.7 Est. Cut/Fill: 6' on east

Surface material required: None

Overall impact on general area: Minimal

Estimated life of project action: 15 - 20 years

ALTERNATIVES TO THE PROPOSED ACTION:

Would moving the proposed drill site a reasonable distance to a different location reduce the environmental impact significantly? No

Alternate location inspected? No Original location N/A

Why was location moved? N/A Alternate location N/A

ADVERSE ENVIRONMENTAL EFFECTS WHICH CANNOT BE AVOIDED:

Estimated total area to be removed from other use during the life of the project: Approximately 2 acres

Extent of detrimental effects: Loss of some brush & range grasses

FINDING OF NO SIGNIFICANT IMPACT

We have considered the proposed no. 27-E Angel Peak "B" gas well in the preceding pages of this EA and find, based on the analysis of environmental considerations provided therein, no evidence to indicate that it will significantly impact the quality of the human environment.

PREVIOUS RELATED ENVIRONMENTAL ASSESSMENT

For further details of the existing environment and a complete discussion of various impacts of oil and gas well drilling and production, and alternatives, refer to the Blanket Environmental Impact Assessment, prepared for The Canyon Largo Area.

ONSITE INSPECTION:

Date: March 24, 1980

Representatives: Rudy Motto - Supron Energy

Dabney Ford - Archaeologist, San Juan College, NMSU

Bob Marler - BLM

Andy Stump - USGS

Prepared by: Andy Stump

Date: July 2, 1980

CONCURRENCE OF SURFACE USE PLAN AND CULTURAL RESOURCE AND ENDANGERED
SPECIES CLEARANCE:

By: Robert R. Calkins
Area Manager, BLM

Date: July 2, 1980

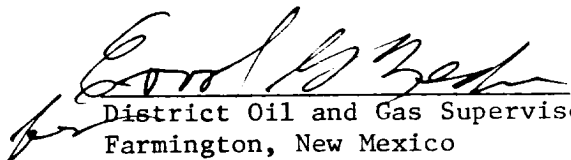
Paint: Brown 595a-30318

Seed: Mix #2

DETERMINATION:

I determine that the proposed action does not constitute a major Federal action significantly affecting the quality of the human environment in the sense of NEPA, Section 102(2)(c).

Date: July 10, 1980


District Oil and Gas Supervisor
Farmington, New Mexico