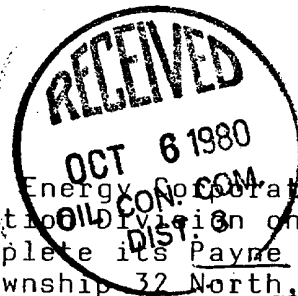


THE APPLICATION OF SUPRON ENERGY  
CORPORATION FOR A DUAL COMPLETION

ORDER NO. MC-2709

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 September 5, 1980, for permission to dually complete its Payne Well No. 2A located in Unit D of Section 21, Township 32 North, Range 10 West, NMPM, San Juan County, New Mexico, in such a manner as to permit production of gas from the Blanco-Mesaverde Pool and from the Basin-Dakota Pool.

Now, on this 8th day of September, 1980, 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 waivers of objection have been received from such offsetting operators;
- (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 Payne Well No. 2A located in Unit D of Section 21, Township 32 North, Range 10 West, NMPM, San Juan County, New Mexico, in such a manner as to permit production of gas from the Blanco-Mesaverde Pool and from the Basin-Dakota Pool through parallel strings of tubing.

PROVIDED HOWEVER, That applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 1112-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

*[Signature]*  
JOE D. RAMEY  
Division Director

OIL CONSERVATION COMMISSION  
Alto DISTRICT

OIL CONSERVATION COMMISSION  
BOX 2088  
SANTA FE, NEW MEXICO

DATE September 18, 1980

RE: Proposed MC X  
Proposed DHC \_\_\_\_\_  
Proposed NSL \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed PMX \_\_\_\_\_

Gentlemen:

I have examined the application dated September 5, 1980  
for the Superior Energy Corp. Payne #2A D-21-32-10  
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Yours very truly,

Frank J. Chaff

NEW MEXICO OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO  
APPLICATION FOR MULTIPLE COMPLETION

Form C-107  
5-1-61

Operator <b>Supron Energy Corporation</b>		County <b>San Juan</b>		Date <b>8-12-80</b>
Address <b>P.O. Box 808, Farmington, New Mexico</b>		Lease <b>Payne</b>		Well No. <b>2-A</b>
Location of Well <b>D</b>	Unit <b>D</b>	Section <b>21</b>	Township <b>32 North</b>	Range <b>10 West</b>

1. Has the New Mexico Oil Conservation Commission 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 ☐
2. If answer is yes, identify one such instance: Order No. MC-2668 ; Operator Lease, and Well No.: Supron Energy Corporation Payne No. 3-A

	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	<b>Blanco Mesaverde</b>		<b>Basin Dakota</b>
b. Top and Bottom of Pay Section (Perforations)	<b>4978 - 5638</b>		<b>7584 - 7718</b>
c. Type of production (Oil or Gas)	<b>Gas</b>		<b>Gas</b>
d. Method of Production (Flowing or Artificial Lift)	<b>Flowing</b>		<b>Flowing</b>

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

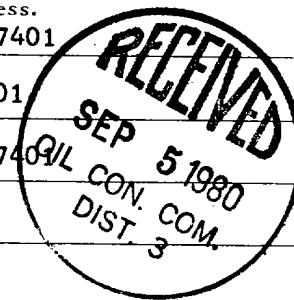
- |                                     |                          |   |
|-------------------------------------|--------------------------|---|
| Yes                                 | No                       |   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | a. Diagrammatic Sketch 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 Company - 501 Airport Drive, Farmington, New Mexico 87401

El Paso Exploration Company - P.O. Box 289, Farmington, New Mexico 87401

Northwest Pipeline Corporation - P.O. Box 90, Farmington, New Mexico 87401



6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES ☒ NO ☐ . If answer is yes, give date of such notification October 25, 1979 .

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  
Kenneth E. Roddy Signature

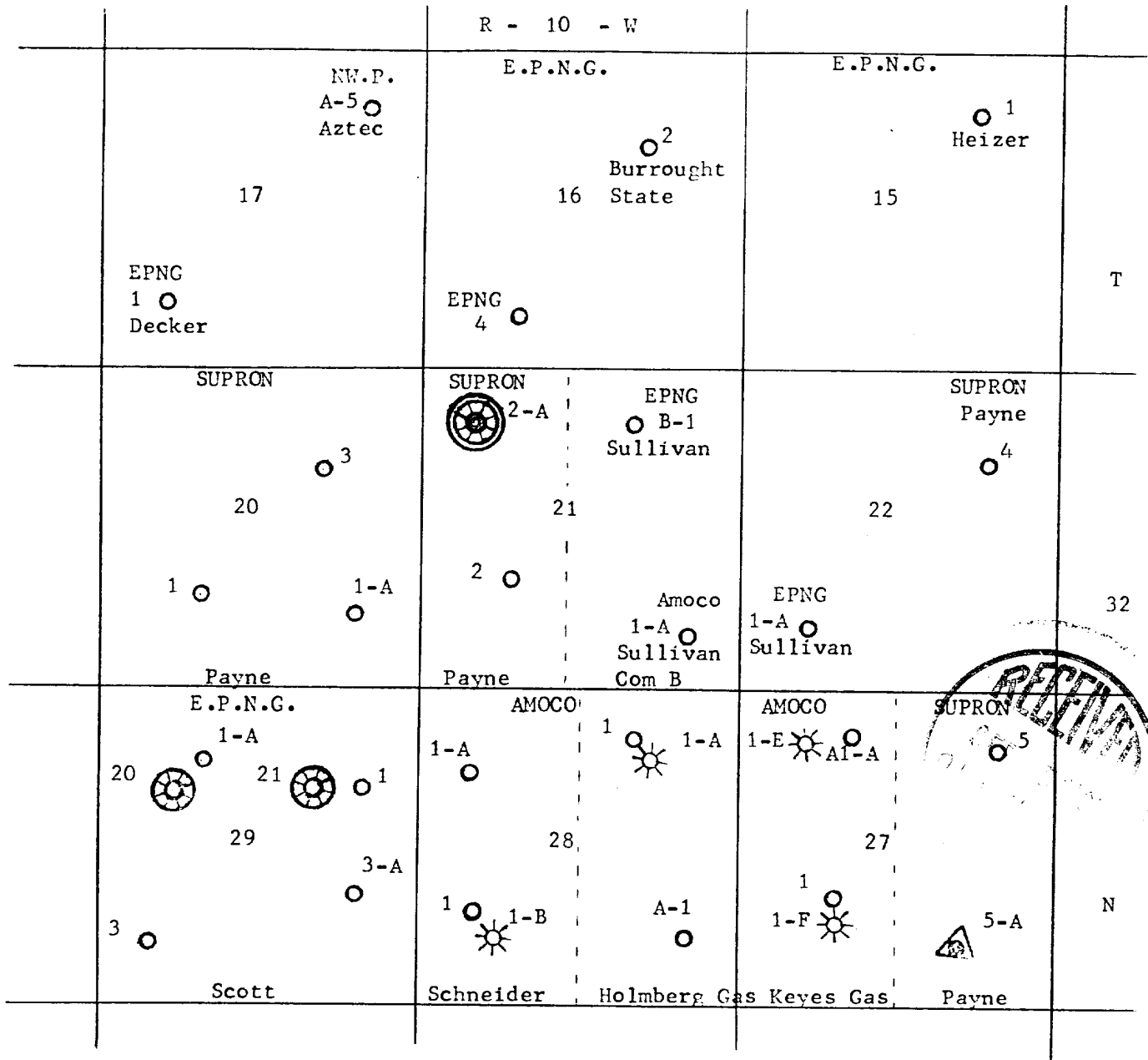
\*Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest 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 producing zones, then separate application for approval of the same should be filed simultaneously with this application.

SUPRON ENERGY CORPORATION

WELL: PAYNE NO. 2-A

LOCATION: 880 Feet from the North line and 900 feet from the West line of Section 21, Township 32 North, Range 10 West, N.M.P.M., San Juan County, New Mexico.



Proposed Blanco Mesaverde and Basin Dakota



Mesaverde



Fruitland

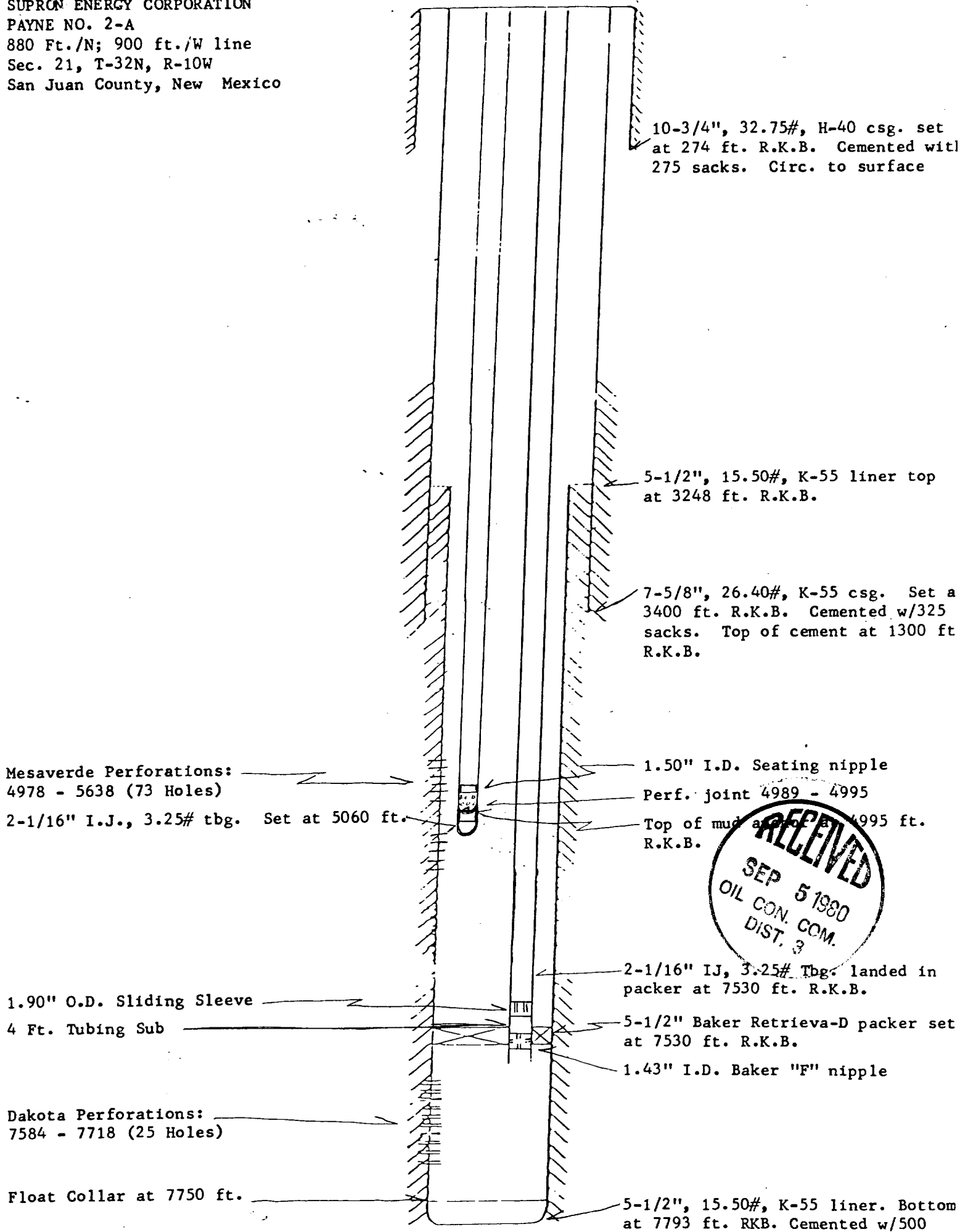


Pictured Cliffs - Mesaverde



Pictured Cliffs

SUPRON ENERGY CORPORATION  
PAYNE NO. 2-A  
880 Ft./N; 900 ft./W line  
Sec. 21, T-32N, R-10W  
San Juan County, New Mexico



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

STATE OF New Mexico )  
 )  
COUNTY OF San Juan )

Gene Longacre, being first dully 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 District Manager and as such as its authorized agent.

That on August 9, 1980, he personally supervised the setting  
of a 5-1/2" Baker Retrieval-D in Supron Energy Corporation's  
(Make and Type of Packer) (Operator)

PAYNE Well No. 2-A, located in Unit Letter  
D, Section 21, Township 32 North, Range 10 West, N.M.P.M.,  
San Juan County, New Mexico.

That said packer was set at a subsurface depth of 7530 feet, said  
depth measurement having been furnished by Blue-Jet.

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

Gene Longacre  
Gene Longacre Its Agent

Subscribed and sworn to before me this the 4th day of September, AD, 1980.

Betty J. Stuart  
Notary Public

My Commission Expires: August 25, 1984