

THE APPLICATION OF SUPRON ENERGY
CORPORATION FOR A DUAL COMPLETION

ORDER NO. MC-2908

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 July 9, 1981, for permission to dually complete its Reid "B" Well No. 1-E located in Unit I of Section 31, Township 29 North, Range 10 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 29th day of July, 1981, the Division Director finds:

1. That application has been filed under the provisions of Rule 112-A of the Divisions'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 rules;
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 Reid "B" Well No. 1-E located in Unit I of Section 31, Township 29 North, Range 10 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 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.

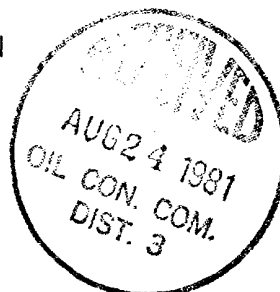
PROVIDED FURTHER, That applicant shall take packer-leakage tests upon completion and annually thereafter.

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



SEAL



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 7-16-81

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

Gentlemen:

I have examined the application dated 7-9-81
for the Symon Reil B #1E I-31-29N-10W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve

Yours truly,

Frank T. Chang

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

Form C-107
5-1-61

Operator SUPRON ENERGY CORPORATION		County San Juan	Date 7-7-81
Address P.O. Box 808, Farmington, New Mexico 87401		Lease Reid "B"	Well No. 1-E
Location of Well I	Unit 31	Township 29 North	Range 10 West

Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the zone within one mile of the subject well? YES _____ NO XX

If answer is yes, identify one such instance: Order No. _____ ; Operator Lease, and Well No.: _____

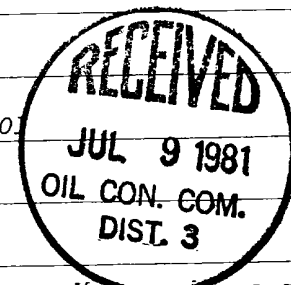
The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	Wildcat Chacra		Basin Dakota
b. Top and Bottom of Pay Section (Perforations)	2788 - 2899		6213 - 6361
c. Type of production (Oil or Gas)	Gas		Gas
d. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing

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 address 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 112-1) |

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
Consolidated Oil & Gas Co.	- Suite 1300, 1860 Lincoln St., Denver, Colorado 80295
El Pamco, Inc.	- P.O. Box 14738, Albuquerque, New Mexico 87108
El Paso Exploration Co.	- P.O. Box 289, Farmington, New Mexico 87401
Getty Oil Company	- P.O. Box 3360, Casper, Wyoming 82602
Lynco Oil Co.	- 5290 DTC Parkway, Englewood, Colorado 80111
Manana Gas, Inc.	- 610 Reilly Heights, Farmington, New Mexico 87401
Mesa Petroleum Co.	- P.O. Box 579, Flora Vista, New Mexico 87415
Petroleum Corp. of Texas	- P.O. Box 911, Breckenridge, Texas 79024
Tenneco, Inc.	- 720 S. Colorado Blvd., Denver, Colorado 80222
Texaco, Inc.	- Box EE, Cortez, Colorado 81321



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 February 25, 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
 Kenneth E. Roddy Signature

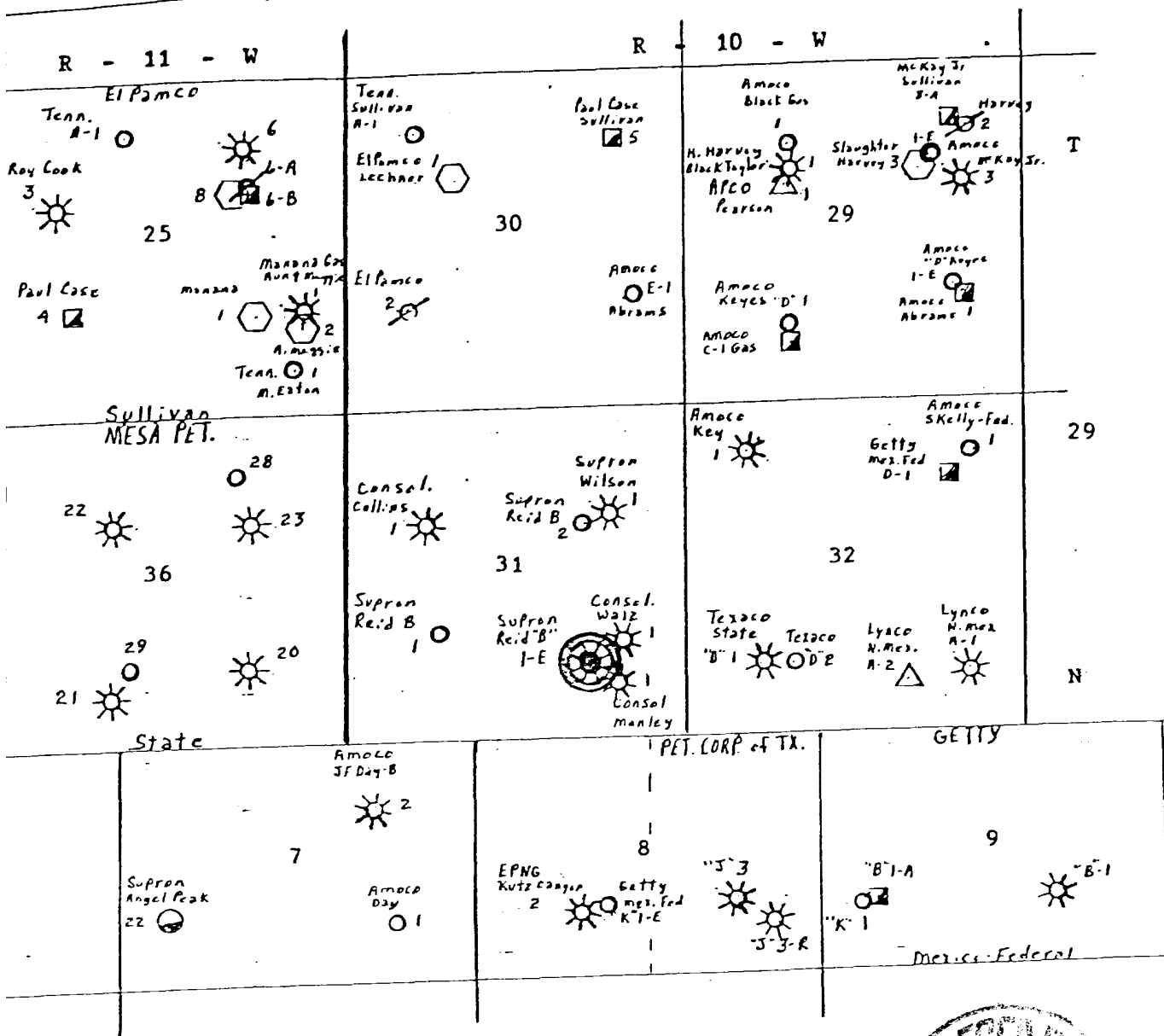
Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty day period, no protest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

OFFSET OPERATOR'S PLAN SUPRON ENERGY CORPORATION

WELL: REID "B" NO. 1-E

LOCATION: 1760 Feet from the South line and 1080 feet from the East line of Section 31, Township 29 North, Range 10 West, N.M.P.M., San Juan County, New Mexico



Proposed Wildcat Chacra and Basin Dakota dual completion

Dakota

Pictured Cliffs

Mesaverde

Farmington Sand

Pictured Cliffs - Fruitland

Fruitland

Chacra

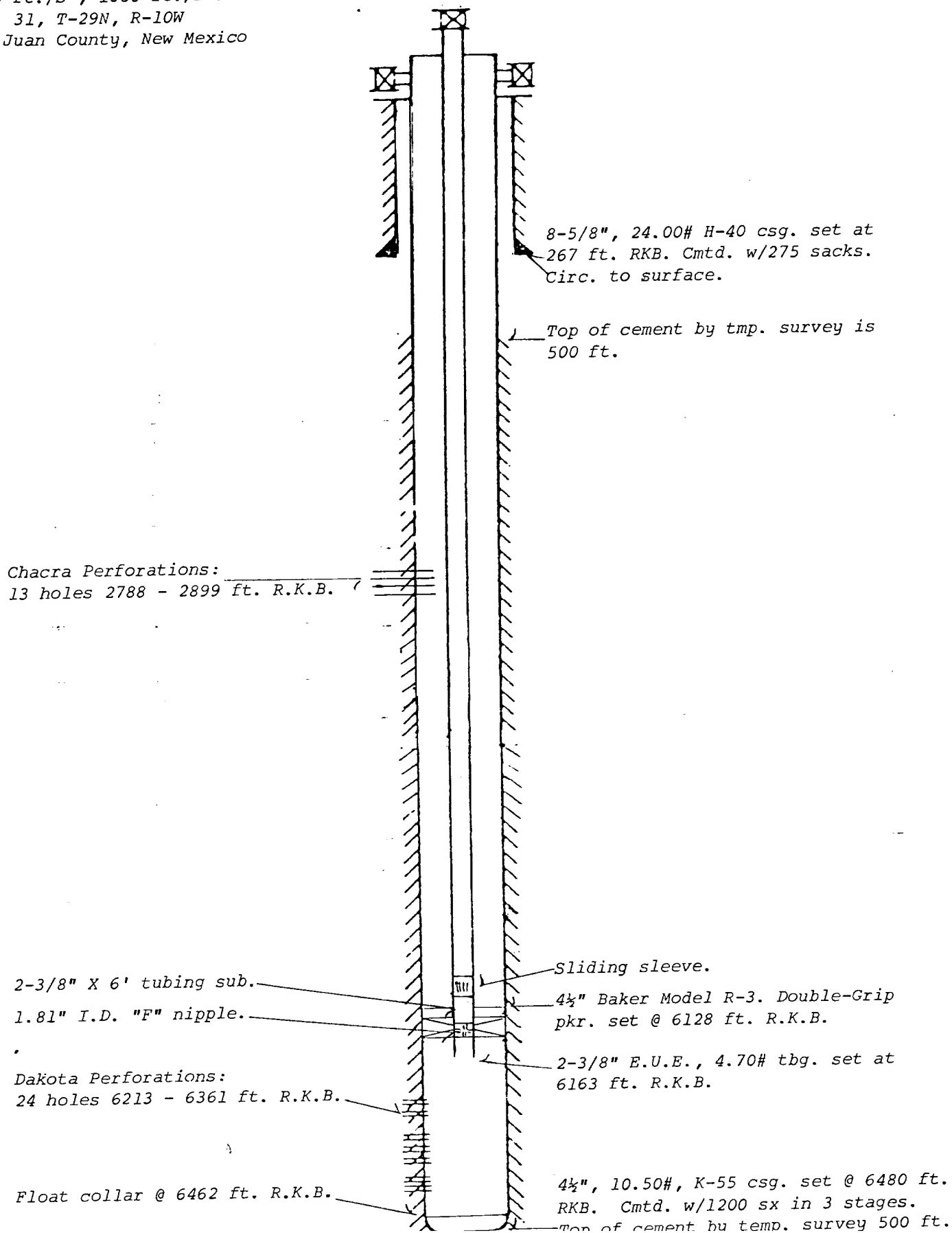
SUPRON ENERGY CORPORATION

Reid "B" No. 1-E

1760 ft./S ; 1080 ft./E line

Sec. 31, T-29N, R-10W

San Juan County, New Mexico



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 16, 19 81, he personally supervised the setting of
a 4½" Baker Model R-3 Double-Grip Packer in Supron Energy Corporation's
(Make and Type of Packer) (Operator)

Reid "B" Well No. 1-E, located in Unit Letter

I, Section 31, Township 29 North, Range 10 West,
N.M.P.M., San Juan County, New Mexico.

That said packer was set at a subsurface depth of 6128 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 7th day of July, AD, 19 81.

Beth Jo Stuart
Notary Public

My Commission Expires: August 25, 1984