Form 9-331 C
(May 1963)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1425.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-045-24744

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.: SF - ~~078244~~ 078212

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ] PLUG BACK [ ]

7. UNIT AGREEMENT NAME: N/A

b. TYPE OF WELL: OIL WELL [ ] GAS WELL [X] OTHER — SINGLE ZONE [X] MULTIPLE ZONE [ ]

8. FARM OR LEASE NAME: McCord

2. NAME OF OPERATOR: Supron Energy Corporation c/o John H. Hill et al

9. WELL NO.: 7E

3. ADDRESS OF OPERATOR: Suite 020 Kysar Building, 300 West Arrington Farmington, New Mexico 87401 Attn: Lura Wallis

10. FIELD AND POOL, OR WILDCAT: Basin Dakota

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 1000' FSL & 810' FEL (SE SE)

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec. 4 T30N R13W

P

At proposed prod. zone: Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: 29.7 miles South of Blanco, NM

12. COUNTY OR PARISH: San Juan | 13. STATE: New Mexico

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any): 810'

16. NO. OF ACRES IN LEASE: 2004.86 ? 2081.20

17. NO. OF ACRES ASSIGNED TO THIS WELL: E/320.60

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.: ---------

19. PROPOSED DEPTH: 7000'

20. ROTARY OR CABLE TOOLS: Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 6394' GR

22. APPROX. DATE WORK WILL START*: January 5, 1981

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12¼"	8-5/8" New	26# H-40 ST&C	300'	3 stage - surface to 3300'
7-7/8"	4½" New	10.5# K-55 ST&C	7000'	3300' to 5400' and 5400' to total depth (sufficient cement to cover Ojo Alamo).

1. Drill 12¼" hole and set 8-5/8" surface casing to 300' with good returns.
2. Log B.O.P. checks in daily drill reports and drill 7-7/8" hole to 7000'.
3. Run tests if warranted and run 4½" casing if productive.
4. Run logs, as needed, and perforate and stimulate as needed.

EXHIBITS ATTACHED

"A"	Location and Elevation Plat
"B"	The Ten-Point Compliance Program
"C"	The Blowout Preventer Diagram
"D"	The Multi-Point Requirements for A.P.D.
"E" & "E1"	Access Road Maps to Location
"F"	Radius Map of Field
"G"	Drill Pad Layout, Production Facilities & Cut-Fill Cross-Section
"H"	Drill Rig Layout

RECEIVED
DEC 19 1980
OIL CON. COM.
DIST. 3

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 subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED [signature] TITLE Manager Exploration & Production DATE 14 November 1980

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED AS AMENDED
DEC 17 1980
JAMES P. SIMS
DISTRICT ENGINEER

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

NMOCC

EXHIBIT A

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT Location and Elevation Plat

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

Operator	Lease	Well No.
Supron Energy	McCord / SF-078212	McCord 7-E

Unit Letter	Section	Township	Range	County
P	4	30 North	13 West	San Juan

Actual Footage Location of Well:
1000 feet from the South line and 810 feet from the East line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:
5701'	Mesa Verde	Blanco Basin Dakota	320.60 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

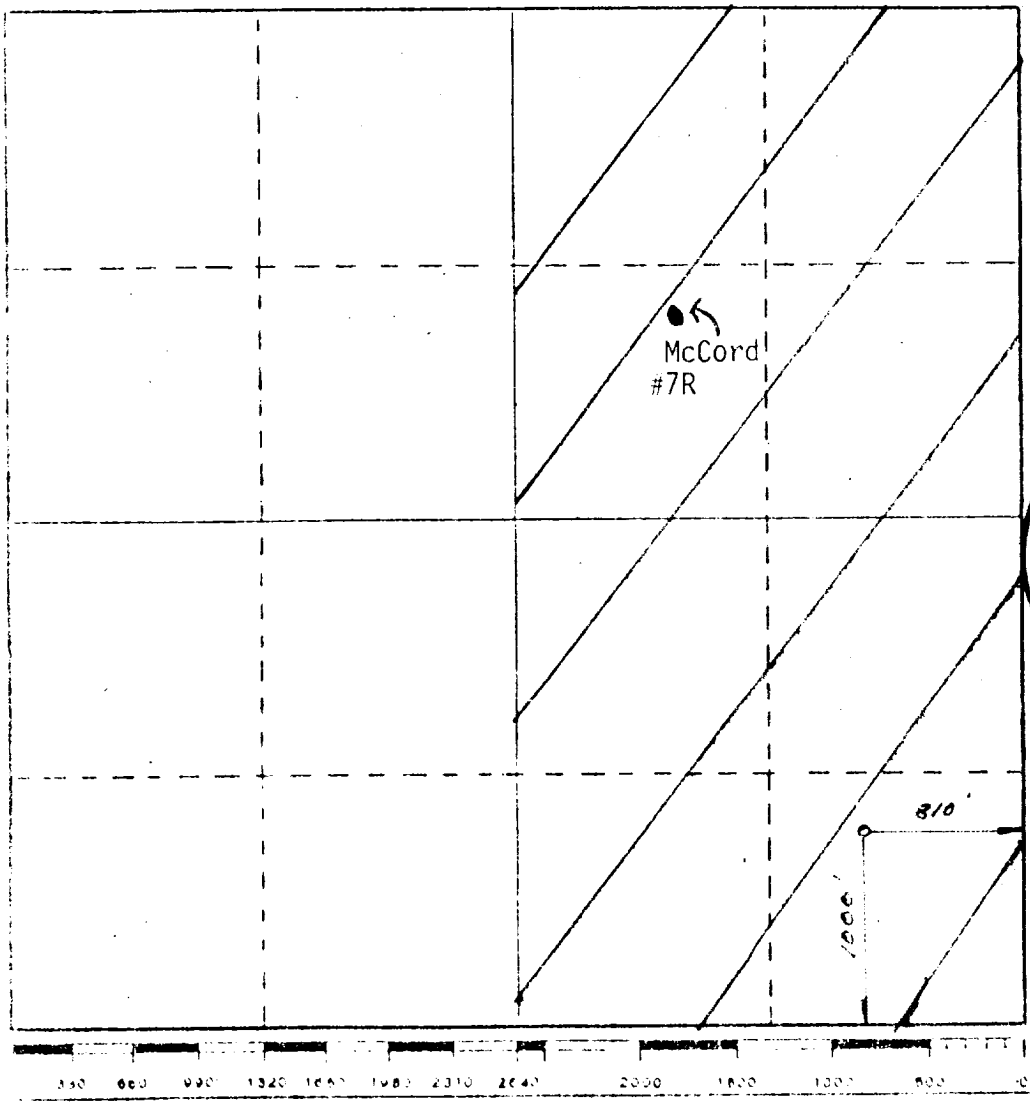
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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 Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

George Lapaseotes

Name: George Lapaseotes, Vice President, Powers Elevation

Position: Agent Consultant for

Company: Supron Energy Corporation

Date: December 8, 1980

RECEIVED
DEC 12 1980
OIL CON. COM.
DIST. 3

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys 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: 2 DECEMBER 1980

Registered Professional Engineer and/or Land Surveyor: Gerald G. Huddleston

NEW MEXICO
REGISTERED
GERALD G. HUDDLESTON
6844

Certificate No.

EXHIBIT "B"

TEN-POINT COMPLIANCE PROGRAM

OF NTL-6 APPROVAL OF OPERATIONS

Attached to Form 9-331C
Supron Energy Corporation
McCord #7E
SE SE Sec. 4 T30N R13W
1000' FSL & 810' FEL
San Juan County, New Mexico

1. The Geologic Surface Formation

The geologic formation is the Wasatch.

2. Estimated Tops of Important Geologic Markers

Ojo Alamo	510'
Kirtland	600'
Fruitland	1395'
Pictured Cliffs	1770'
Chacra	2580'
Cliffhouse	3335'
Point Lookout	4035'
Gallup	5700'
Greenhorn	6210'
Dakota	6290'
Total Depth	7000'

3. Estimated Depths of Anticipated Water, Oil, Gas or Minerals

Ojo Alamo	510'	Water
Kirtland	600'	Water
Fruitland	1395'	Water
Pictured Cliffs	1770'	Gas
Chacra	2580'	Water
Cliffhouse	3335'	Gas
Point Lookout	4035'	Gas
Gallup	5700'	---
Greenhorn	6210'	---
Dakota	6290'	Gas

4. The Proposed Casing Program

HOLE SIZE	INTERVAL	SECTION LENGTH	SIZE (OD)	WEIGHT, GRADE & JOINT	NEW OR USED
12¼"	0-300'	300'	8-5/8"	26# H-40 ST&C	New
7-7/8"	0-7000'	7000'	4-½"	10.5#K-55 ST&C	New

Cement Program - 3 Stage Cementing

First Stage - Sacks of mix required and additives to fill from 7000' to approximately 5400'. Slurry 50-50 poz cemnt, 2% gel, 2% Calcium Chloride, .06% - D-19 Aquatrol.

Second Stage - From 5400' to 3300' with 35% excess on filler cement. Slurry to be 50-50 poz cement, 6% gel, 2% Calcium Chloride followed by 50 sacks neat cement Class "B".

Third Stage - From 3300' to surface with 100% excess. Slurry to be 50-50 poz cement, 2% gel, 2% Calcium Chloride for 500' from 3300' to 2800' then from 2800' to surface 50-50 poz and cement, 2% Calcium Chloride, 6% gel (sufficient to cover 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.

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 Characteristic of the Proposed Circulating Muds

This will be drilled with air and 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./gal	FLUID LOSS cc
0-300'	Fresh Water-Gel	8.4 - 9.5	35 - 45	Less than 10
300'-4200'	Fresh Water-Gel	8.4 - 9.5	35 - 45	Less than 10
4200'-T.D.	Air	---	---	---

7. The Auxiliary Equipment to be Used

(a) No kelly cock will be used.

(b) A float will be used at the bit.

(c) Neither mud logging unit nor 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 on an IES 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.

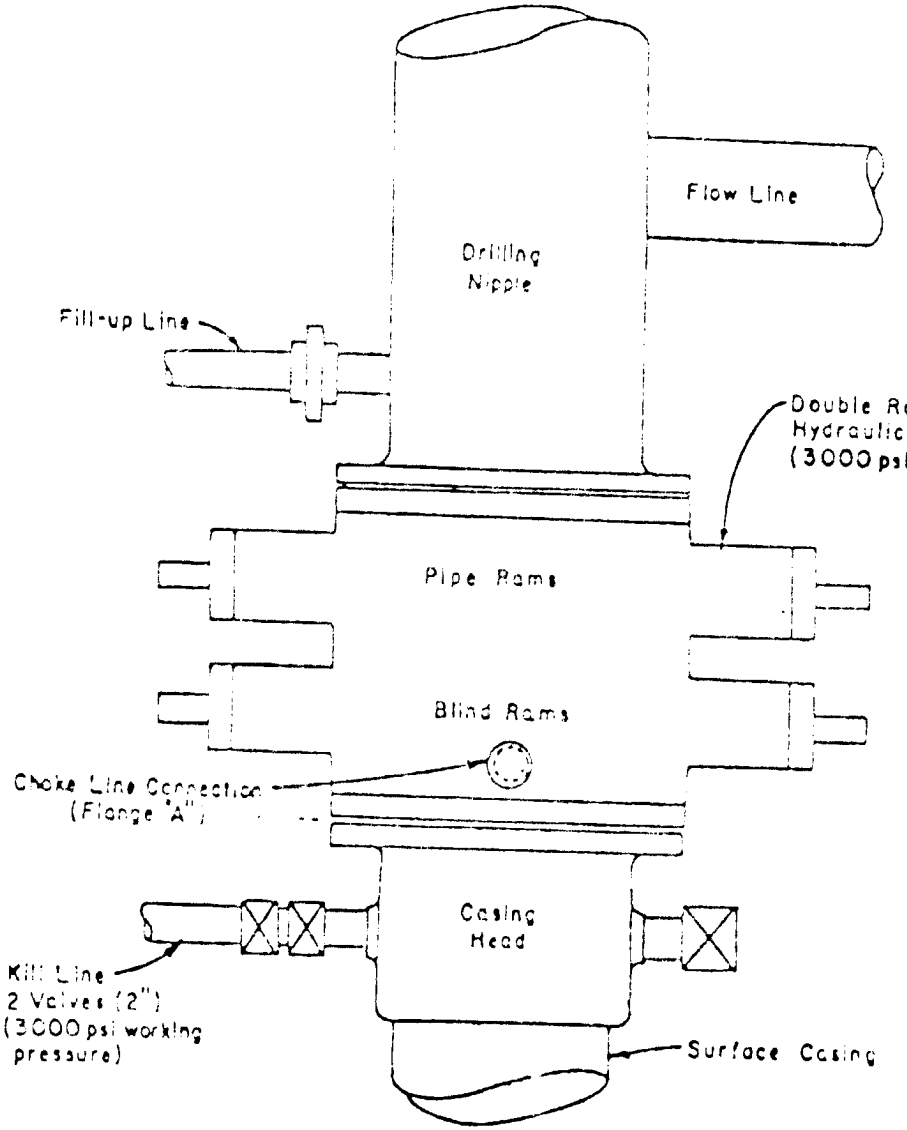
9. Any Anticipated Abnormal Pressures or Temperatures

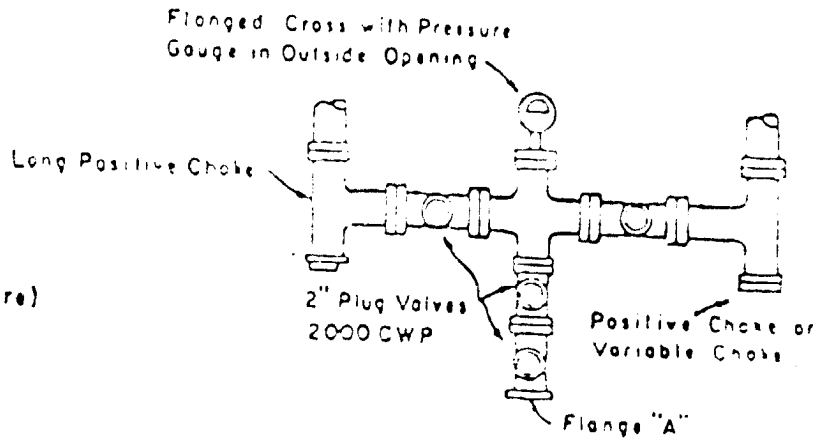
No abnormal pressures or temperatures have been noted or reported in wells drilled in the area nor at the depths anticipated in this well.

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 is set for Jaunuary 5, 1981 or as soon as possible after examination and approval of drilling requirements. Operations should be completed within 40 days after spudding the well and drilling to casing point.





PLAN VIEW - CHOKE MANIFOLD

Blowout Preventer Diagram

EXHIBIT "D"

MULTI-POINT REQUIREMENTS TO ACCOMPANY A.P.D.

Attached to Form 9-331C
Supron Energy Corporation
McCord #7-E
SE SE Sec. 4 T30N R13W
San Juan County, New Mexico

1. Existing Roads

A. The proposed well site and elevation plat is shown as EXHIBIT "A".

B. The distance from Farmington, New Mexico is 8.4 miles. From the intersection of Glade and Municipal, go North and West 6.1 miles on field road (dirt); thence 2.3 miles Northwest on field road (dirt); thence 1700 feet North and West on proposed access road to the location as shown on EXHIBIT "E" & "E_1".

C. All roads to location are color-coded on EXHIBITS "E" & "E_1". A new access road 1700 feet from the existing dirt field road will be required, as shown on EXHIBITS "E" & "E_1".

D. N/A

E. This is a development well. All existing roads within a one-mile radius are shown on EXHIBIT "E".

F. The existing roads need no improvement. The grade is 1-4%.

2. Planned Access Roads

Map showing all necessary access roads to be constructed or reconstructed is shown as EXHIBIT "E" for the following:

(1) The maximum width of the running surface of the 1700 feet of access road as you leave the existing dirt road will be 18 feet. If the well is a producer, total disturbed area will be 25 feet.

(2) The grade will be 1-4%.

(3) No turn outs are planned.

(4) Drainage ditch will be constructed to assure proper drainage.

(5) No culverts are needed. No major cuts or fills are anticipated along access road during drilling operation.

(6) Surfacing materials will be native soil.

(7) No gates, cattleguards or fence cuts are needed.

(8) The new access road to be built has been staked during the time of staking the location, and is centerline flagged as shown on EXHIBIT "E".

3. Location of Existing Wells

For all existing wells within a one mile radius of Development well, see EXHIBIT "F".

(1) There are no water wells within a one mile radius of this location.

(2) There are no abandoned wells in this one mile radius.

(3) There are no temporarily abandoned wells.

(4) There are no disposal wells.

(5) There are no wells presently being drilled.

(6) There are 5 producing wells within this one mile radius.

(7) There are no shut-in wells.

(8) There are no injection wells.

(9) There are no monitoring or observation wells for other uses.

4. Location of Existing and/or Proposed Facilities

A. Within a one-mile radius of location, the following existing facilities are owned or controlled by lessee/operator:

(1) Tank Batteries: Yes. Supron has producing wells in the area.

(2) Production Facilities: Yes. Same as above.

(3) Oil Gathering Lines: None.

(4) Gas Gathering Lines: Yes. Supron has producing wells in the area.

(5) Injection Lines: None.

(6) Disposal Lines: None.

B. If production is obtained, new facilities will be as follows:

(1) Production facilities will be located on solid ground of cut area of drill pad, as shown on EXHIBIT "G".

(2) All well flow lines will be buried and will be on the well site and battery site.

(3) Facilities will be 300 feet long and 250 feet wide.

(4) All construction materials for battery site and pad will be obtained from site. No additional material from outside sources is anticipated.

(5) Any necessary pits will be fenced and flagged to protect livestock and wildlife.

C. Rehabilitation, whether well is productive or dry, will be made on all unused areas in accordance with B.L.M. stipulations.

5. Location and Type of Water Source

A. The source of water will be La Plata River, 2 miles West of the location, as shown on EXHIBIT "E".

B. Water will be transported by truck over existing roadways.

C. No water well is to be drilled on this lease.

6. Construction Materials

A. No construction materials are needed for drilling and access roads into the drilling location unless well is productive. The surface soil materials will be sufficient or will be purchased from the Dirt Contractor as needed.

B. No construction materials will be taken off Federal land.

C. All surface soil materials for construction of access roads are sufficient.

D. All major access roads presently exist as shown on EXHIBIT "E".

7. Handling of Waste Materials and Disposal

(1) Drill cuttings will be buried in the reserve pit and covered.

(2) Drilling fluids will be handled in the reserve pit.

(3) Any fluids produced during drilling test or while making production test will be collected in a test tank. If a test tank is not avail-

able during drilling, fluids will be handled in reserve pit. Any spills of oil, gas, salt waters or other noxious fluids will be cleaned up and removed.

(4) Chemical toilet facilities will be provided for human waste.

(5) Garbage and non-flammable waste and salts and other chemicals produced during drilling or testing will be handled in trash/burn pit. Flammable waste will be disposed of in burn pit. Drill fluids, water, drilling mud and tailings will be kept in reserve pit, as shown on EXHIBIT "H". The trash/burn pit will be totally enclosed with small mesh wire to prevent wind scattering trash before being burned or buried. Reserve pit will be fenced on three sides and the fourth side fenced upon removal of the rig.

(6) After the rig moves out, all materials will be cleaned up and no adverse materials will be left on location. Any dangerous open pit will be fenced during drilling and kept closed until the pit has dried and is filled and leveled.

8. Ancillary Facilities

No air strip, camp or other facilities will be built during drilling of this well.

9. Well Site Layout

(1) EXHIBIT "G" is the Drill Pad Layout as staked, with elevations by Powers Elevation of Durango, Colorado. Cuts and fills have been drafted to visualize the planned cut across the location spot and to the deepest part of the pad. Topsoil is 0-6" and will be stockpiled per B.L.M. specifications determined at time of pre-drill inspection.

(2) EXHIBIT "H" is a plan diagram of the proposed rig and equipment, reserve pit, trash/burn pit, and mud pits. No permanent living facilities are planned. There will be a trailer on site.

(3) EXHIBIT "G" is a diagram showing the proposed production facilities layout.

(4) The reserve pits will not be lined.

10. Plans for Restoration

(1) Backfilling, leveling and contouring are planned as soon as all pits have dried. Waste disposal and spoils materials will be buried or hauled away to an approved sanitary landfill immediately after drilling is completed. If production is obtained, the unused area will be restored as soon as possible.

(2) The soil banked material will be spread over the area. Revegetation will be accomplished by planting mixed grasses as per formula provided

by the B.L.M. Revegetation is recommended for road area, as well as around drill pad.

(3) Three sides of the reserve pit will be fenced during drilling operations. Prior to rig release, the reserve pit will be fenced on the fourth side to prevent livestock or wildlife from becoming entrapped; and the fencing will be maintained until leveling and cleanup is accomplished.

(4) If any oil is on the pits and is not immediately removed or burned after operations cease, the pit containing the oil or other adverse substances will be flagged overhead or covered with wire mesh.

(5) The rehabilitation operations will begin immediately after the drilling rig is removed. Removal of oil or other adverse substances will begin immediately or area will be flagged and fenced. Other cleanup will be done as needed. Planting and revegetation is considered best in Spring 1982, unless requested otherwise.

11. Other Information

(1) The soil is a sandy-clay with rock. The area is covered with pinion, sage, cactus, and minimal grass. There are deer, rabbits, and reptiles in the area.

(2) The primary surface use is for oil production and recreation. The surface is owned by the U.S. Government.

(3) The closest live water is La Plata River, 2 miles West of the location, as shown on EXHIBIT "E".

The closest occupied dwelling is located 1.5 miles South-Southwest, as shown on EXHIBIT "E".

There were no archaeolcgical, historical, or other cultural artifacts apparent to Powers' surveyors during their staking of this location. However, a complete, standard cultural resource (including archaeological) survey will be conducted by a qualified archaeologist, and a report submitted to the B.L.M., prior to any surface disturbance.

(4) There are no reported restrictions or reservations noted on the oil and gas lease.

(5) Drilling is planned for on or about January 5, 1980. It is anticipated that the casing point will be reached within 40 days after commencement of drilling.

12. Lessee's or Operator's Representative

George Lapaseotes
Agent Consultant for
Supron Energy Corporation
600 South Cherry Street
Suite 1201
Denver, Colorado 80222
Phone (303) 321-2217

Steve Connor
Supron Energy Corporation
c/o John H. Hill, et al.
The Lakes at Bent Tree
17400 Dallas Parkway
Suite 210
Dallas, Texas 75252
Phone (214) 385-9100

13. Certification

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 and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

12-3-80
Date

George Lapaseotes
Agent Consultant for
Supron Energy Corporation

EXHIBIT "E" - Access Roads to Location

LEGEND

1. Location:
   Supron Energy Corporation
   McCord #7-E
   SE SE Sec. 4 T30N R13W
   San Juan County, New Mexico
2. Water Source/Nearest Live Water
3. Closest Dwelling
4. Closest Town

Color Coding
Dirt Road
New Access Road

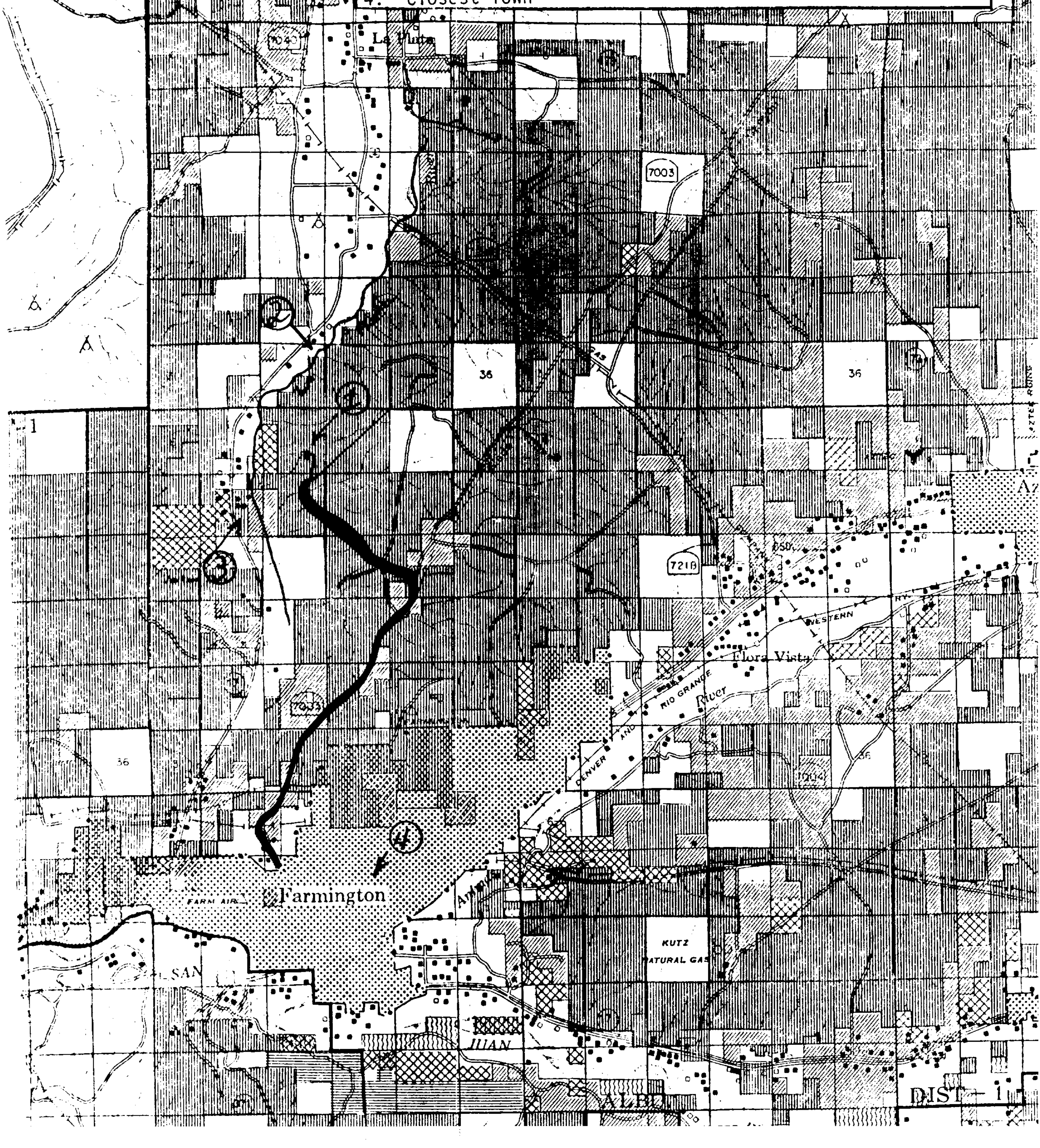
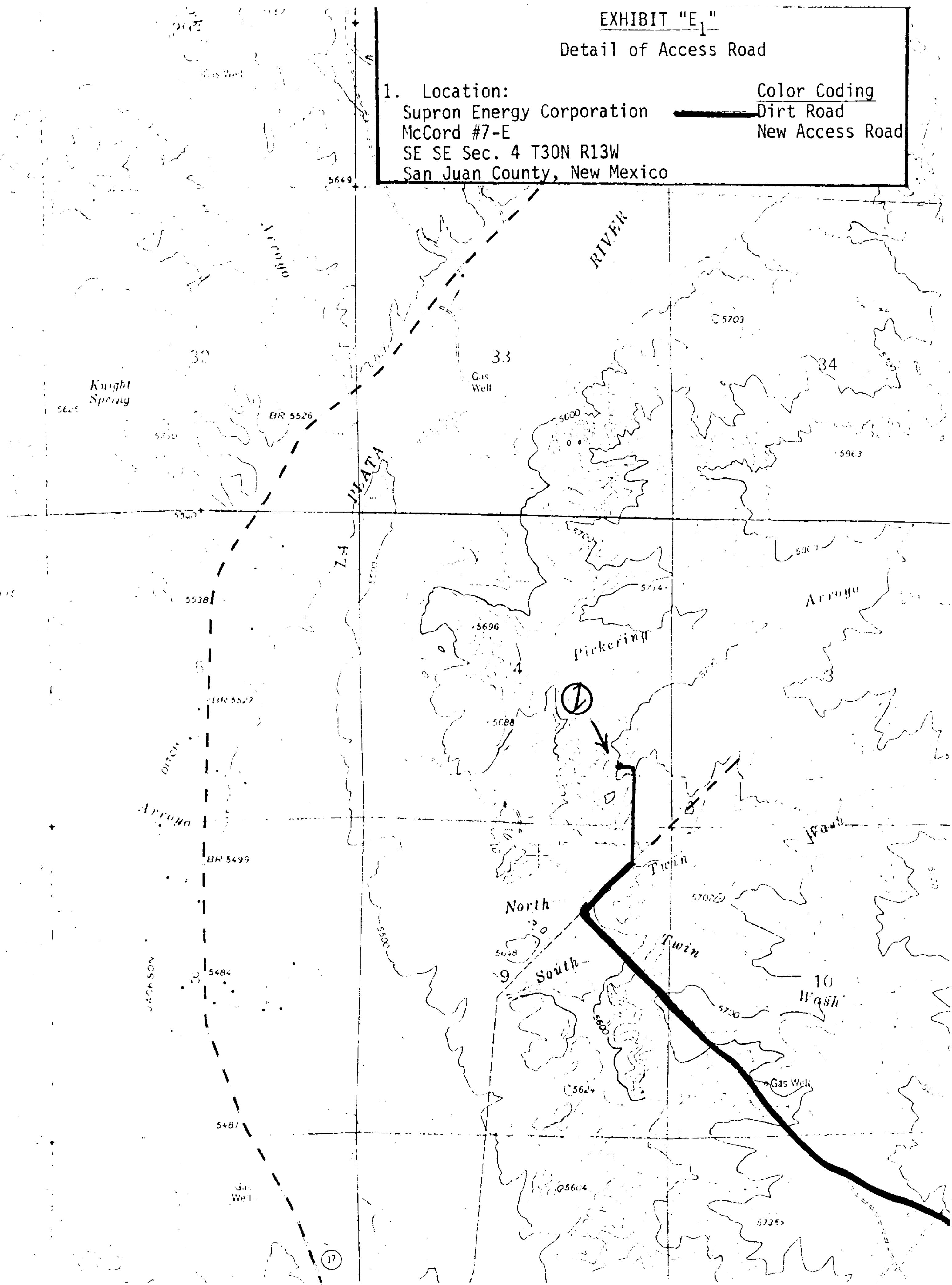


EXHIBIT "E_1"

Detail of Access Road

1. Location:
   Supron Energy Corporation
   McCord #7-E
   SE SE Sec. 4 T30N R13W
   San Juan County, New Mexico

Color Coding
Dirt Road
New Access Road



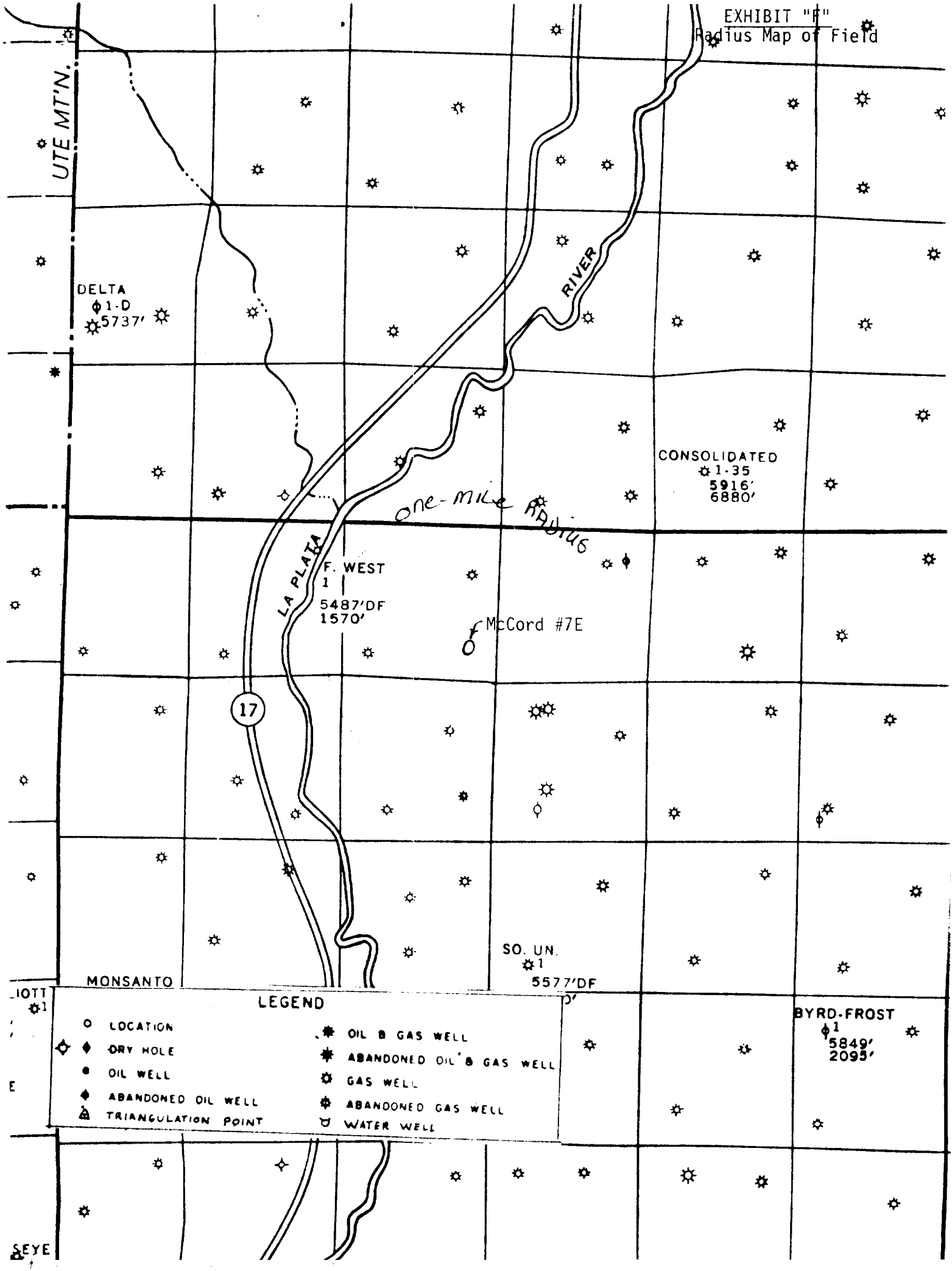


EXHIBIT "F"
Radius Map of Field
UTE MT'N.
DELTA
1-D
5737'
RIVER
CONSOLIDATED
1-35
5916'
6880'
one-mile RADIUS
LA PLATA
F. WEST
1
5487'DF
1570'
McCord #7E
17
SO. UN.
1
5577'DF
MONSANTO
BYRD-FROST
1
5849'
2095'
LEGEND
LOCATION
DRY HOLE
OIL WELL
ABANDONED OIL WELL
TRIANGULATION POINT
OIL & GAS WELL
ABANDONED OIL & GAS WELL
GAS WELL
ABANDONED GAS WELL
WATER WELL

EXHIBIT "G"
Drill Pad Layout,
Production Facilities &
Cut-Fill Cross Section

POWERS ELEVATION

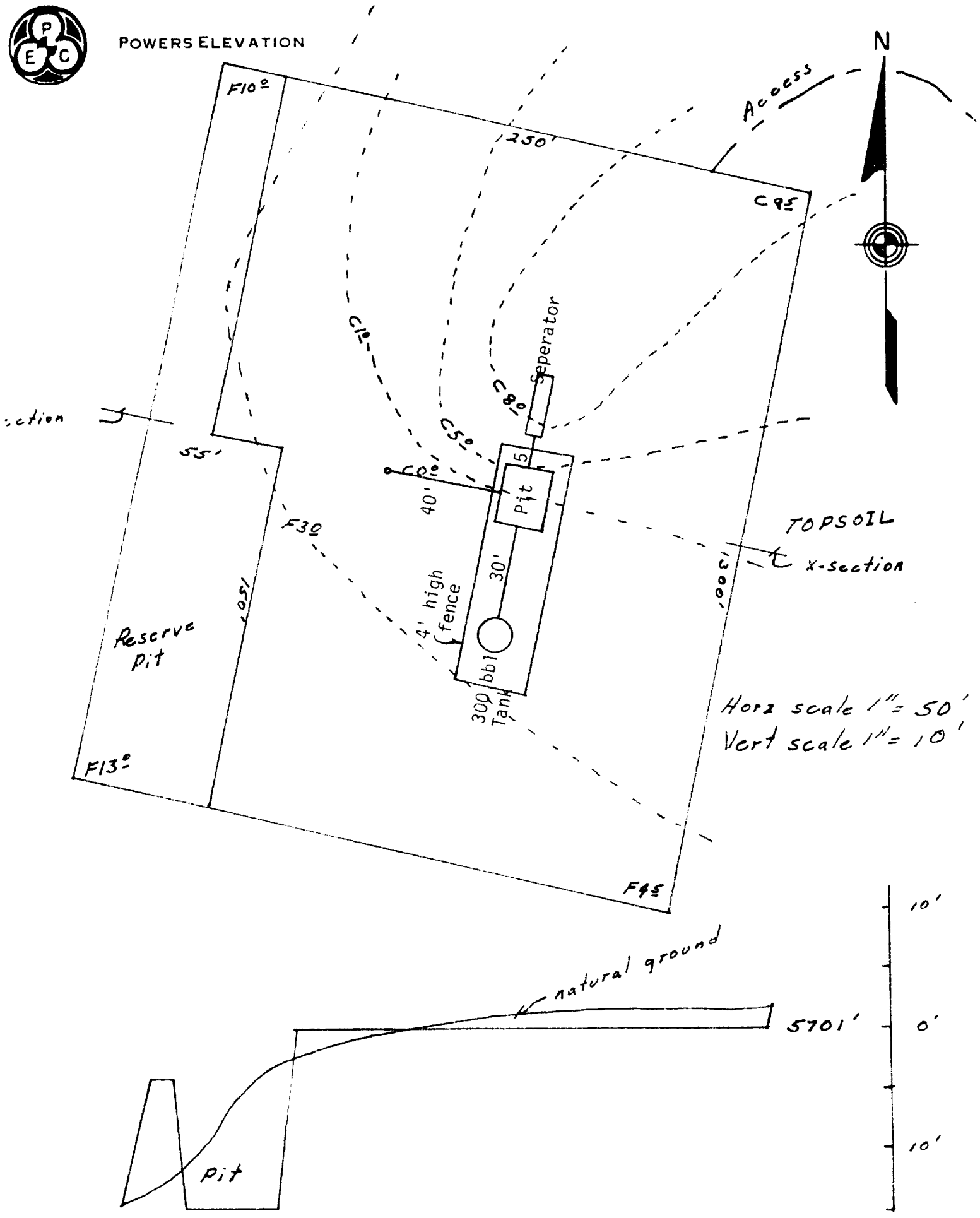
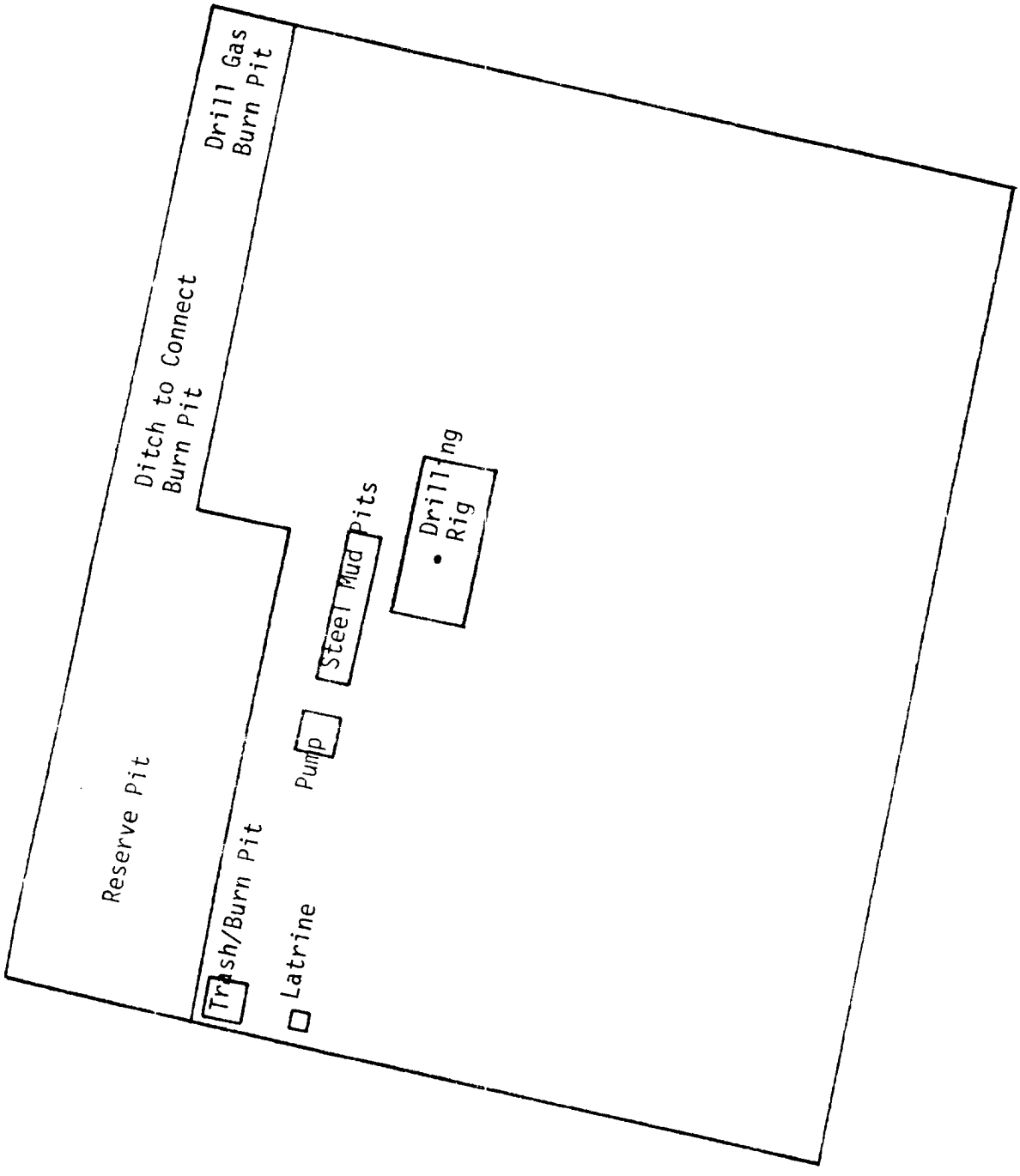


EXHIBIT "H"
Drill Rig Layout

Supron Energy Corporation
McCord #7E
San Juan County, New Mexico



POWERS ELEVATION

OIL WELL ELEVATIONS AND LOCATIONS
CHERRY CREEK PLAZA, SUITE 1201
600 SOUTH CHERRY STREET
DENVER, COLORADO 80222
PHONE NO. 303/321-2217

November 17, 1980

Steve Connor
John H. Hill
The Lakes at Bent Tree
17400 Dallas Parkway
Dallas, TX 75252

Dear Mr. Connor:

Enclosed are the cultural resource survey reports for the following locations:

Supron — Taliaferro #7 and #5-M,
U.S.A. #1-M, #2-M, and #3-M
McCord 7-E, Newsom B #13E

A BLM Class-III pedestrian survey and inspection of existing records were performed for these locations. No cultural resources were found either in the literature or pertinent site files, or during our field surveys.

In view of this lack of cultural resources and the consequent lack of adverse impact (that is: no effect) upon National Historic Register eligible resources, we recommend that the projects be allowed to proceed.

If you have any questions regarding these reports, please contact Eva Bailey at this office.

Sincerely,

Marcia J. Tate

Marcia J. Tate
Principal Investigator
Assistant Manager, Heritage

MJT:dc

cc: Farmington BLM
Albuquerque BLM
USGS, Farmington
State Archaeologist, Curtis Schaafsma
SHPO, Tom Merlan
Brian O'Neil, District Archaeologist, Grand Junction, CO

enclosures

POWERS ELEVATION

OIL WELL ELEVATIONS AND LOCATIONS
CHERRY CREEK PLAZA, SUITE 1201
600 SOUTH CHERRY STREET
DENVER, COLORADO 80222
PHONE NO. 303/321-2217

PROJECT IDENTIFICATION: A cultural resource survey for Supron, McCord 7-E, well pad and access, San Juan, New Mexico.

ANTIQUITIES PERMIT NO: 79-NM-111

FILE SEARCH: A file search conducted November 4, 1980, with the Bureau of Land Management, Farmington Resource Area, revealed no sites or surveys for the project area.

MAP REFERENCE: Farmington North Quad, 7.5', 1963

PROPOSED ACTION: The completed well pad will measure approximately 250 feet by 300 feet. The access is a 50 foot wide corridor approximately 1500 feet long from an existing bladed road along North Twin Wash.

LOCATION: 810 ft. FEL, 1000 ft. FSL; NW/SE/SE, Section 4, T30N, R13W

DATE OF INVESTIGATION: November 5, 1980

PERSONNEL: Brian O'Neil, Field Investigator; Bruce Rippeteau and Marcia Tate, Principal Investigators.

ENVIRONMENT: The general physiography is rolling hills and sinuous sandstone ridges atop the divide between Farmington Glade and the La Plata River.

The well pad is situated near the end of a northeast/southwest trending ridge, which separates Pickering Wash from North Twin Wash. The exposure is south. The elevation is approximately 5710 feet.

The drainage pattern and type are dendritic/intermittent and permanent. The nearest water is North Twin Wash, approximately 1600 feet south. Other available water is the La Plata River, approximately 1.1 miles west.

Vegetation cover is to 5% with excellent visibility. The plant community consists of pinon-juniper, sagebrush, snakeweed, rabbit-brush and sparse grasses.

The soil is light brown to tan, fine, sandy silt, dominated by rounded gravels from parent sandstone formations. The depth is to 50 centimeters. There is no potential for buried deposits.

FIELD METHODS: A 10 acre area surrounding the well pad center stake was surveyed in parallel north/south transects at intervals of 20 meters. The access road was surveyed 25 feet on each side of the center flagging, for a distance of approximately 1500 feet from its takeoff point at the bladed road along the north side of North Twin Wash.

RESULTS: No cultural resources were observed.

RECOMMENDATIONS: We recommend that the project be allowed to proceed.

MJT:dc