

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

(Other instructions on reverse side)

Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different depth. Use "APPLICATION FOR PERMIT" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. SF 078362	
2. NAME OF OPERATOR Bannon Energy Incorporated		6. IF INDIAN, ALLOTTEE OR TRIBE NAME Federal	
3. ADDRESS OF OPERATOR P.O. Box 2058, Farmington, New Mexico 87499		7. UNIT AGREEMENT NAME	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface Unit K; 1670' FSL and 1820' FWL NMPM		8. FARM OR LEASE NAME Grace Federal 6	
14. PERMIT NO.		9. WELL NO. 1	
15. ELEVATIONS (Show whether OF, RT, GR, etc.) 6907' GL, 6919' KB		10. FIELD AND POOL, OR WILDCAT Lybrook-Gallup	
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 6-T23N-R6W	
		12. COUNTY OR PARISH Rio Arriba	
		13. STATE NM	

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETION

ABANDON*

CHANGE PLANS

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

REPAIRING WELL

ALTERING CASING

ABANDONMENT*

X

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

1. Started plug and abandonment operations on August 19, 1989.
2. Circulate hole with mud laden fluid at 5652'.
3. Spot 45 sx class "B" neat cement from 5650' to 5050'.
4. Spot 85 sx class "B" neat cement from 4562' to 3440'.
5. Spot 10 sx class "B" neat cement from 3000' to 2868'.
6. Spot 30 sx class "B" neat cement from 2250' to 1850'.
7. Spot 20 sx class "B" neat cement from 1600' to 1336'.
8. Spot 10 sx class "B" neat cement from 700' to 568'.
9. Spot 10 sx class "B" neat cement from 396' to 264'.
10. Circulate cement to surface inside and outside 4 1/2" casing, from 50' to surface.
11. Cut off 8 5/8" and 4 1/2" casing strings 4' below ground level, weld on plate, install P & A marker on August 22, 1989.
12. Location has not been rehabilitated; a replacement well, Grace Federal 6-1R, will be drilled and the existing production facility will be utilized for separation, metering, and storage. The location will be rehabilitated when the replacement well is plugged and abandoned.

Approved as to plugging of the well bore.
Liability under bond is retained until
surface restoration is completed.

18. I hereby certify that the foregoing is true and correct

SIGNED

W. J. Holcomb

(This space for Federal or State office use)

TITLE Engineer, Bannon Energy Inc. DATE 9-5-89

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

APPROVED

DATE 1-9-1989

Ken Townsend

AREA MANAGER
FARMINGTON RESOURCE AREA

*See Instructions on Reverse Side