

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

| | | |
|---|---|--|
| Operator BANNON ENERGY, INC. | | Well API No. 30-039-23701 |
| Address 3934 F.M. 1960 West, Suite 240, Houston, Texas 77068 | | |
| Reason(s) for Filing (Check proper box) <input checked="" type="checkbox"/> Other (Please explain) | | |
| New Well <input type="checkbox"/> | Change in Transporter of: | |
| Recompletion <input type="checkbox"/> | Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/> | Change in owner |
| Change in Operator <input checked="" type="checkbox"/> | Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/> | All changes effective date January 1, 1989 |
| If change of operator give name and address of previous operator Jack A. Cole, P. O. Box 191, Farmington, NM 87499 | | |

II. DESCRIPTION OF WELL AND LEASE

| | | | | |
|--|----------------------|---|--|------------------------------|
| Lease Name Marcus | Well No. 3 | Pool Name, Including Formation Lybrook-Gallup | Kind of Lease State <input checked="" type="checkbox"/> Federal <input type="checkbox"/> or Fee | Lease No. SF078354 |
| Location | | | | |
| Unit Letter I : 1830' Feet From The South Line and 880' Feet From The East Line | | | | |
| Section 7 Township 23N Range 6W , NMPM , Rio Arriba County | | | | |

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

| | | | | | | |
|--|---|------------------|--------------------|-------------------|--|----------------------------------|
| Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/> Giant Refining Company | Address (Give address to which approved copy of this form is to be sent) P.O. Box 9156, Phoenix Az 85068 | | | | | |
| Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> Gas Company of New Mexico | Address (Give address to which approved copy of this form is to be sent) P.o Box 26400 Albuquerque NM 87125 | | | | | |
| If well produces oil or liquids, give location of tanks. | Unit I | Sec. 7 | Twp. 23N | Rge. 6W | Is gas actually connected? Yes | When ? August 15, 1985 |

If this production is commingled with that from any other lease or pool, give commingling order number:

IV. COMPLETION DATA

| | | | | | | | | |
|-------------------------------------|-----------------------------|----------|-----------------|----------|--------|-------------------|------------|------------|
| Designate Type of Completion - (X) | Oil Well | Gas Well | New Well | Workover | Deepen | Plug Back | Same Res'v | Diff Res'v |
| Date Spudded | Date Compl. Ready to Prod. | | Total Depth | | | P.B.T.D. | | |
| Elevations (DF, RKB, RT, GR, etc.) | Name of Producing Formation | | Top Oil/Gas Pay | | | Tubing Depth | | |
| Perforations | | | | | | Depth Casing Shoe | | |
| TUBING, CASING AND CEMENTING RECORD | | | | | | | | |
| HOLE SIZE | CASING & TURING SIZE | | DEPTH SET | | | SACKS CEMENT | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.)

| | | | |
|--------------------------------|-----------------|---|------------|
| Date First New Oil Run To Tank | Date of Test | Producing Method (Flow, pump, gas lift, etc.) | |
| Length of Test | Tubing Pressure | Casing Pressure | Choke Size |
| Actual Prod. During Test | Oil - Bbls. | Water - Bbls. | Gas- MCF |

GAS WELL

| | | | |
|----------------------------------|---------------------------|---------------------------|-----------------------|
| Actual Prod. Test - MCF/D | Length of Test | Bbls. Condensate/MMCF | Gravity of Condensate |
| Testing Method (pilot, back pr.) | Tubing Pressure (Shut-in) | Casing Pressure (Shut-in) | Choke Size |

VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature
W. J. Holcomb, Operating Agent for Bannon Energy, Inc.
Printed Name
March 7, 1989 (505) 326-0550
Date Telephone No.

OIL CONSERVATION DIVISION

Date Approved

By

Title

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.