

Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

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

API NO. (assigned by OCD on New Wells)

38-039-24538

5. Indicate Type of Lease

STATE ☒

FEE ☐

6. State Oil & Gas Lease No.

E-1207-1

7. Lease Name or Unit Agreement Name

AUG 21 1989

State 16

OIL CON. DIV.

8. Well No.

1 ST W/B 2

9. Pool name or Wildcat

Counselor Gallup-Dakota

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:

DRILL ☒

RE-ENTER ☐

DEEPEN ☐

PLUG BACK ☐

b. Type of Well:

OIL WELL ☒

GAS WELL ☐

OTHER Restake

SINGLE ZONE ☐

MULTIPLE ZONE ☒

2. Name of Operator

Bannon Energy, Inc.

3. Address of Operator

P.O. Box 2058, Farmington, NM 87499

4. Well Location

Unit Letter D : 660 Feet From The North Line and 660 Feet From The West Line

Section 16

Township 23N

Range 6W

NMPM

Rio Arriba

County

10. Proposed Depth

5800'

11. Formation

Gallup

12. Rotary or C.T.

Rotary

13. Elevations (Show whether DF, RT, GR, etc.)

6819' GR 6820

14. Kind & Status Plug. Bond

15. Drilling Contractor

16. Approx. Date Work will start

10-1-89

17.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4"	8 5/8"	24.0 lb. J-55	300'	Cement to surface	
7 7/8"	4 1/2"	10.5 lb. K-55	5800'	800 sx-volumes to be calculated subsequent to logging.	Surface

Well to be drilled to penetrate the Gallup Formation. All producing intervals in the Gallup will be stimulated as necessary.

EXHIBITS:

"A" Location and Elevation Plat
"B" Ten point compliance program
"C" Blowout preventor diagram
"D" Multi-point requirements of APD
The gas from this lease is committed.

"E" Site specific checklist for roads
"F" Drill rig layout
"G" Completion program layout
"H" Location Profile
"I" Proposed Pipeline

APPROVAL EXPIRES 3-15-90
UNLESS DRILLING IS COMMENCED.
SPUD NOTICE MUST BE SUBMITTED WITHIN 10 DAYS

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE W. J. Holcomb TITLE Agent for Bannon Energy, Inc. DATE Aug. 21, 1989

TYPE OR PRINT NAME W. J. Holcomb

TELEPHONE NO.

(This space for State Use)

APPROVED BY Ernie Bush DEPUTY OIL & GAS INSPECTOR, DIST. #3

DATE SEP 15 1989

CONDITIONS OF APPROVAL, IF ANY:

To log string into the surface during by 100' or so cement job.

All distances must be from the outer boundaries of the Section.

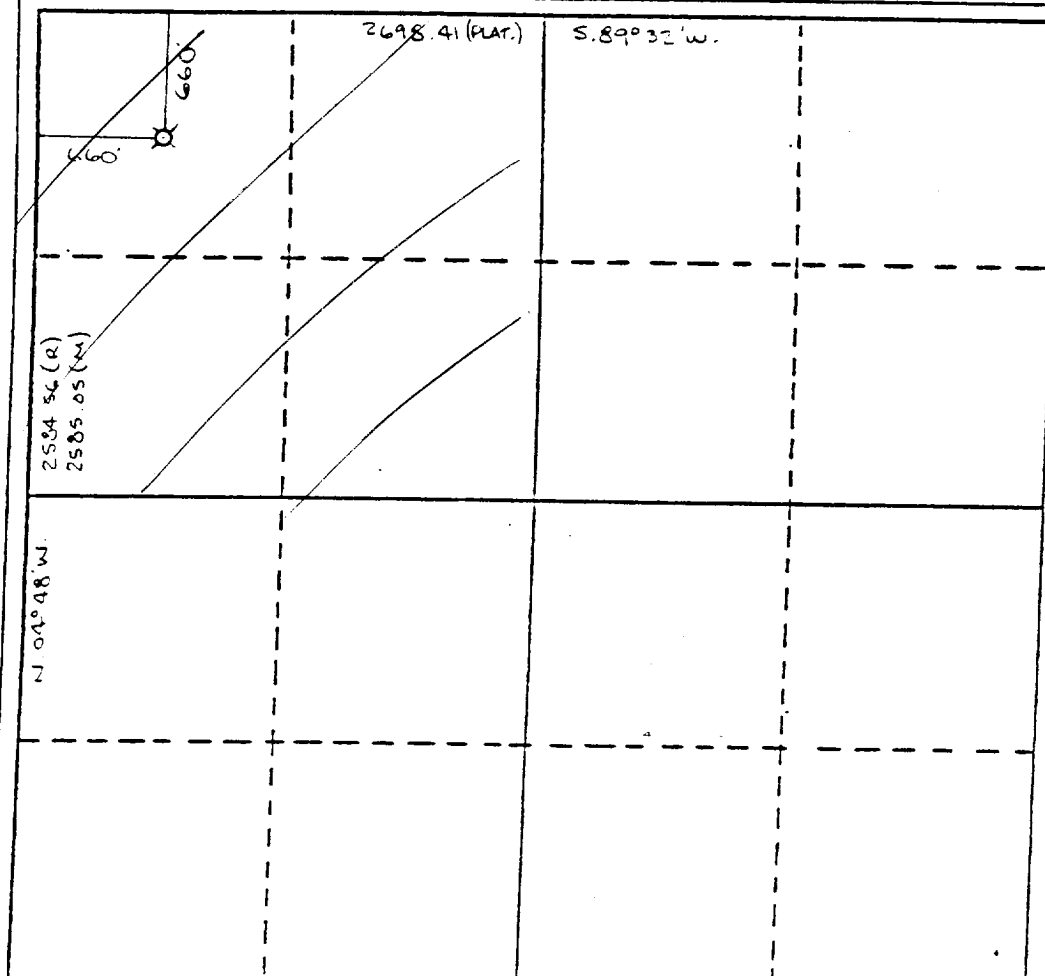
Operator BANNON ENERGY, INC.			Lease STATE 16		Well No. 1
Unit Letter D	Section 18 16	Township T23N	Range R.6W	County RIO ARriba COUNTY	
Actual Postage Location of Well: 660 feet from the NORTH line and 660 feet from the WEST line					
Ground Level Elev. 6820	Producing Formation GAL/OK		Pool Counsellors EXT	Dedicated Acreage: 160 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below. *JT 10/4/82*
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 Division.

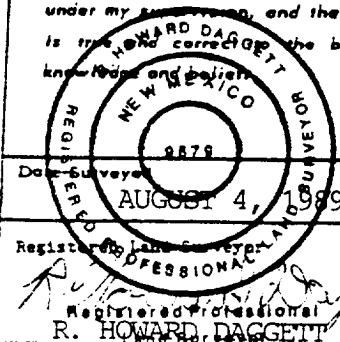


CERTIFICATION

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

Name _____
Operating Agent
Position
Bannon Energy, Inc.
Company
August 21, 1989
Date

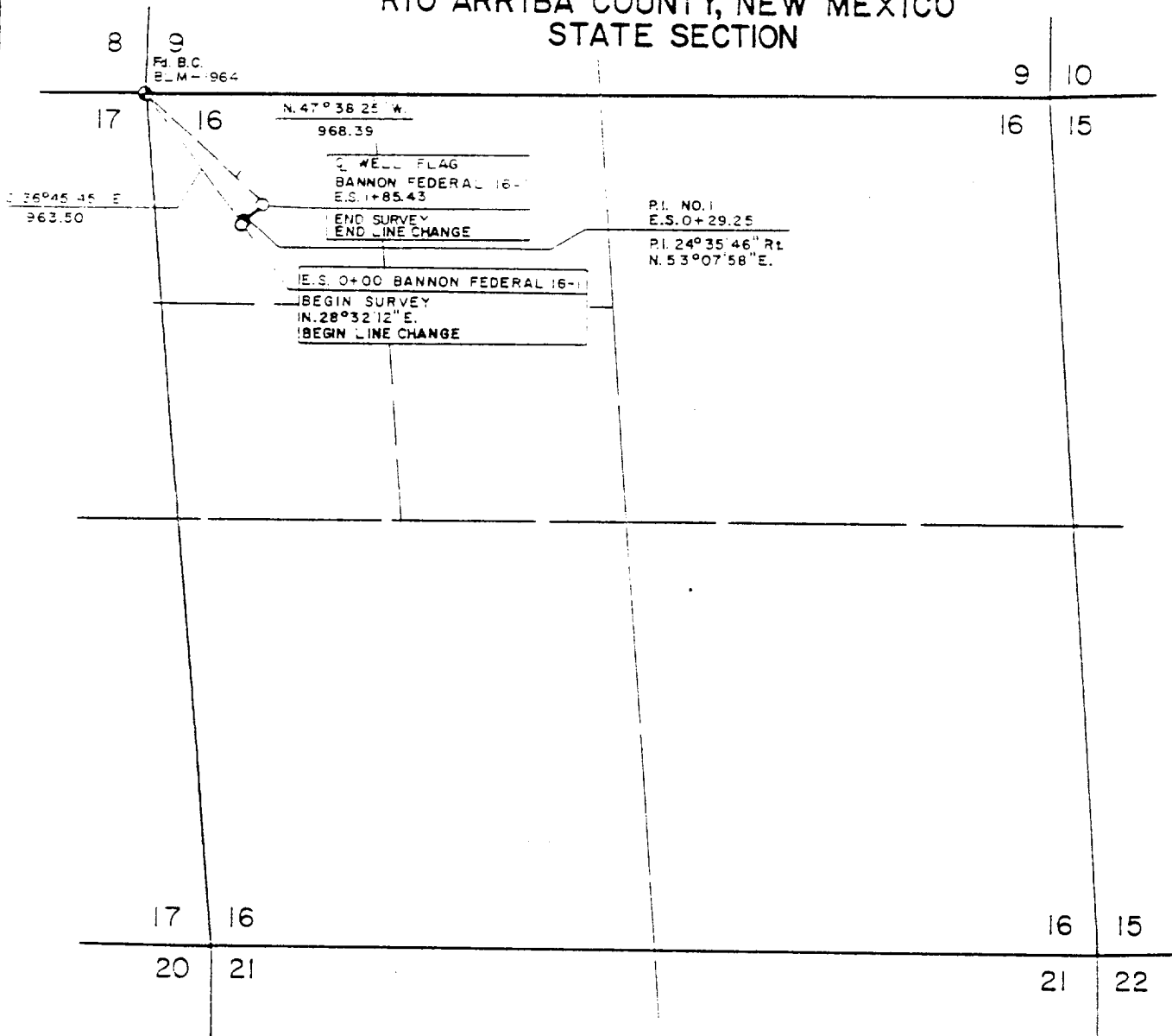
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.



Certificate No. 9679

**A SURVEY FOR
BANNON ENERGY, INC.
GAS PIPELINE
STATE 16-1**

**NW/4 SEC. 16, T23N, R6W, N.M.P.M.,
RIO ARriba COUNTY, NEW MEXICO
STATE SECTION**



NOTE:

BASIS OF BEARING: WEST LINE OF SW/4 SEC. 8, T23N, R6W, N.M.P.M.
BEARING: N. 00° 11' 00" E.

O = SET CAPPED IRON PIN AT REFERENCE POINTS

OWNER	STATION	FT. RODS
STATE	ENTIRE SURVEY	185.43/11.24



R. Howard Daggett
R. HOWARD DAGGETT
NEW MEXICO

DATE: 6/28/89

I, R. HOWARD DAGGETT, A FULLY QUALIFIED LAND SURVEYOR
LICENSED UNDER THE LAWS OF THE STATE OF NEW MEXICO,
DO HEREBY CERTIFY THAT THIS PLAT CORRECTLY REPRESENTS
A SURVEY MADE BY ME OR UNDER MY DIRECT SUPERVISION AND
THAT THIS SURVEY MEETS THE AMENDED MINIMUM STANDARDS
FOR LAND SURVEYING IN NEW MEXICO

LINE CHANGE	S.R.G.	18/04/89	0	500	1000
NAME CHNG	DATE	17/24/89			
REVISION	REV BY	DATE			

SCALE: 1" = 1000'

DAGGETT SURVEYING, INC.
1414 SCHOFIELD LANE
FARMINGTON, NEW MEXICO
(505) 326-1772
REGISTERED LAND SURVEYOR
R. HOWARD DAGGETT N MEX NO. 9679

DRAWN BY: