

21-689-2455 1

3160-3
November 1983
(formerly 9-331C)

SUBMIT IN TRIPPLICATE
(Other instructions on reverse side)

Form approved
Budget Bureau No. 1004-0136
Expires August 31, 1985

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Bannon Energy, Inc.

3. ADDRESS OF OPERATOR
P.O. Box 2058, Farmington NM 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface
 797' FNL, 1682' FEL
 At proposed prod. zone
 same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
5 miles WNW from Counselors Trading Post

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

16. NO. OF ACRES IN LEASE
2565

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

19. PROPOSED DEPTH
5800'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
7106' GR

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
12 1/4"	8 5/8"	24.0 lb. J-55	300'
7 7/8"	4 1/2"	10.5 lb. K-55	5800'

5. LEASE DESIGNATION AND SERIAL NO.
SF078360

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Nancy

9. WELL NO.
14-1R

10. FIELD AND POOL, OR WILDCAT
Lybrook Gallup

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 14, T23N R7W

12. COUNTY OR PARISH
Rio Arriba

13. STATE
N.M.

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

20. ROTARY OR CABLE TOOLS
Rotary

22. APPROX. DATE WORK WILL START
September 1, 1989

This notice is subject to Federal and procedural review pursuant to 43 CFR 3168.3 and 43 CFR 3168.4

QUANTITY OF CEMENT
Cement to Surface
800 sx - volumes to be calculated subsequent to logging.

RECEIVED
SEP 03 1989

OIL CON. DIV.
(DIST. 3)

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

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.

SIGNED [Signature] TITLE Agent for Bannon Energy Inc.

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE SEP 05 1989

APPROVED BY [Signature] TITLE ATTORNEY MANAGER

ckg

*See Instructions On Reverse Side

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

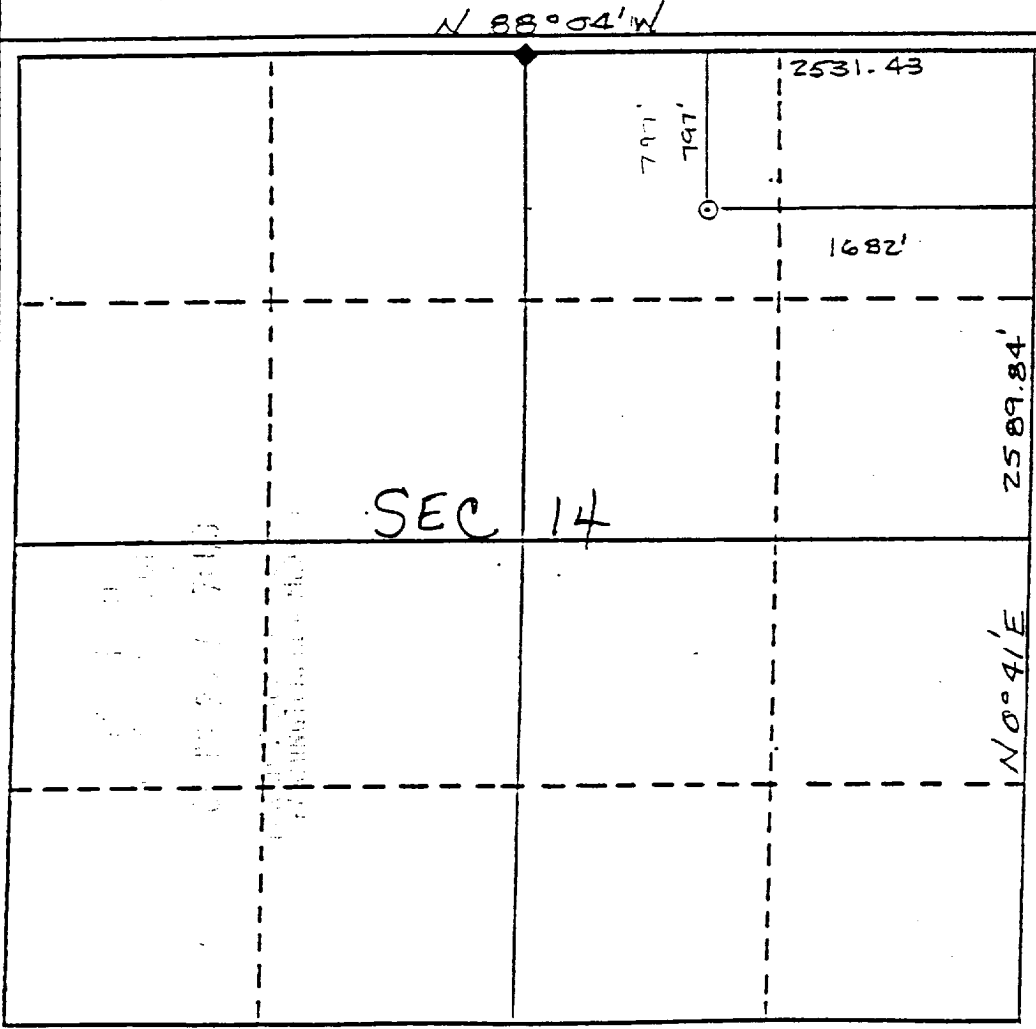
Bannon Energy, Inc.			Lease Nancy 14		Well No. 14-1R
Well Letter B	Section Sec. 14	Township T-23-N	Range R-7-W	County Rio Arriba County	
Actual Footage Location of Well:					
797 feet from the North		line and 1682		feet from the East line	
Ground Level Elev. 7106 ft.	Producing Formation Gallup	Pool Lybrook		Dedicated Acreage: 40 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 Division.



CERTIFICATION	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
<i>W. Holcomb</i>	
Name	Operating Agent
Position	Bannon Energy, Inc.
Company	July 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.	
Date Surveyed	May 27, 1989
Registered Professional Surveyor	R. Howard Jagger
Certificate No. and Surveyor	NM #9679