

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 ☐

SINGLE
ZONE ☐

MULTIPLE
ZONE ☒

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

1742' FNL, 745' FWL

At proposed prod. zone

same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

3 1/2 Miles west of Counselors Trading Post

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any)

16. NO. OF ACRES IN LEASE

2567.37

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40.50

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

19. PROPOSED DEPTH

5670'

20. ROTARY OR CABLE TOOLS

Rotary

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

6896 GR

22. APPROX. DATE WORK WILL START*

August 1, 1989

23.

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	5670

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS"

Cement to Surface
800 sx - volumes to be

calculated subsequent to
logging.

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

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 Bradley K. Salzman

TITLE Agent for Bannon Energy Inc. DATE JULY 14, 1989

(This space for Federal or State office use)

PERMIT NO. _____

APPROVAL DATE _____

APPROVED BY _____

TITLE _____

CONDITIONS OF APPROVAL, IF ANY: _____

DATE _____

SEP 05 1989

AREA MANAGER

NMOCD

*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088
SANTA FE, NEW MEXICO 87501Form C-102
Revised 10-1-78

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

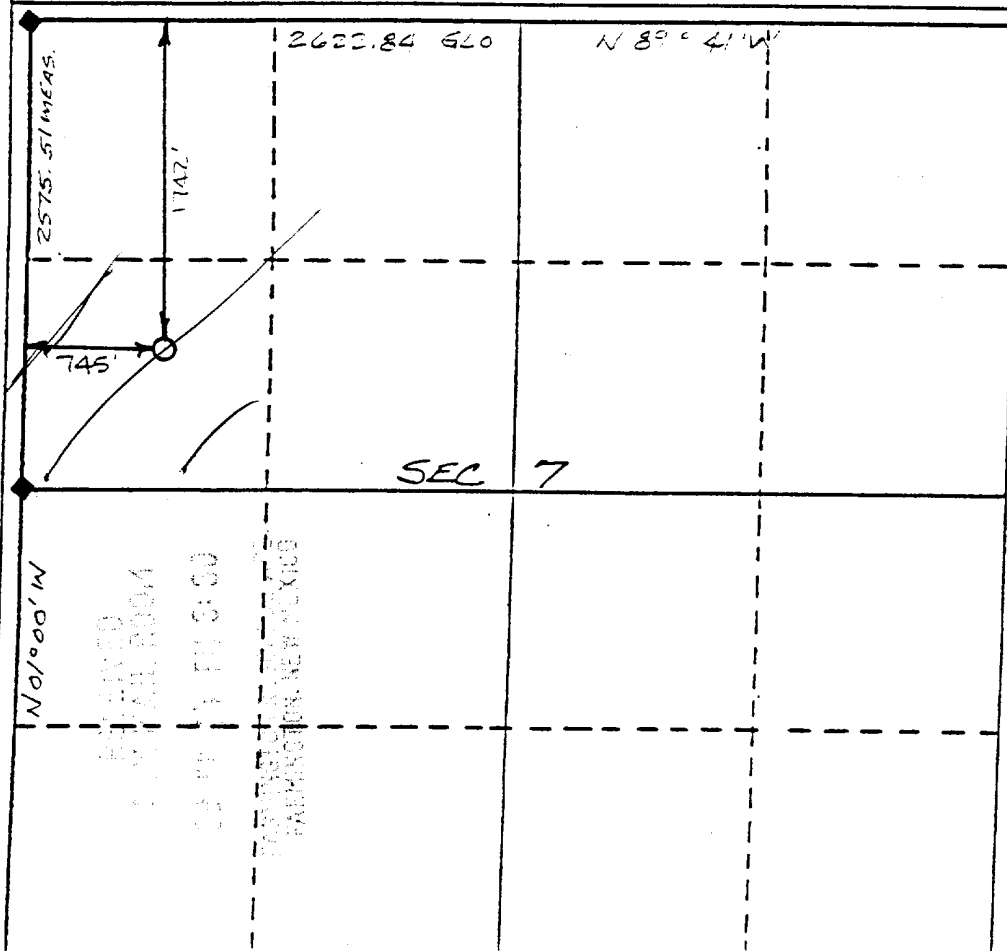
Operator Bannon Energy, Inc.			Lease McBee, B 7		Well No. 5
Unit Letter E	Section Sec. 7	Township T-23-N	Range R-6-W	County Rio Arriba County	
Actual Footage Location of Well: 1742 feet from the North line and 745 feet from the West line					
Ground Level Elev. 6896 ft.	Producing Formation Gallup	Pool Lybrook	Dedicated Acreage: 40.50 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.

Bradley D. Salzman
Name

Operating Agent

Position

Bannon Energy, Inc.

Company

July 14 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 Signed

May 19 1989

Registered Land Surveyor

R. Howard Daggett
R. Howard Daggett

Certification Registered Professional
NM 9679 Land Surveyor

McBee 7-1R
1742' FNL x 745' FWL
Sec. 7-T23N-R6W
Rio Arriba, New Mexico

ATTACHMENT TO EXHIBIT "E"

Johnson Canyon

Escrito Canyon

LANDING STRIP

Oil Well

XBM 6882

6953

6969

6970

6985

6990

7000

7004

7005

7010

7015

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7105

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7115

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