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

| DISTRICT I P.O. Box 1980, Hobbs, Niv | f 88240 | CONSERVATIO P.O. Box 208 | API NO. (as | API NO. (assigned by OCD on New Wells) | | | |
|--|----------------------|---|-------------------|--|---|------------------------------|--|
| DISTRICT II P.O. Drawer DD, Artesia, i | | anta Fe, New Mexico | 5. Indicate | Type of Lease | | | |
| DISTRICT III 1000 Rio Brazos Rd., Aziec, NM 87410 | | | | | STATE XX FEE 6. State Oil & Gas Lease No. E-1207-1 | | |
| APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK | | | | | | | |
| la. Type of Work: DRILL XX RE-ENTER DEEPEN PLUG BACK D. Type of Well: | | | | | 7. Lease Name or Unit Agreement Name | | |
| OIL GAS SINGLE MULTIPLE 20NE 20NE | | | | STATE | STATE 2 | | |
| 2 Name of Operator Bannon Energy, Inc. c/o Holcomb Oil & Gas, Inc. 8 Well No. 1 1/4/58 | | | | | | | |
| 3. Address of Operator P.O. Box 2058, Farmington, NM 87499 | | | | | 9. Pool name or Wildow Counselors Gallup Dakota | | |
| 4. Well Location Unit Letter D: 825 Feet From The North Line and 825 Feet From The West Line | | | | | | | |
| Section 2 Torontin 23N page 6W arms Rio Arriba | | | | | | | |
| | | | | | | County | |
| | | | | 11. Formation Gallup | | 12. Rotary or C.T. Rotary | |
| 13. Elevations (Show whethe 6670.70 | GR DF, RT, GR, etc.) | i. Kind & Status Plug. Bond | 15. Drilling Cont | ractor | 16. Approx D | Date Work will start | |
| 17. PROPOSED CASING AND CEMENT PROGRAM | | | | | | | |
| SIZE OF HOLE 12 法" | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEP | TH SACKS OF | CEMENT | EST. TOP | |
| 7 7/8" | 8 5/8" 4 ½" | 24.0 1b.J-55 | 300' | | to surfa | | |
| 1 1/0 | 4 3 | 10.5 1b. K-55 | 5900' | | volume t | | |
| | | | | logging | | equent to | |
| Well to be drilled to penetrate the Gallup Formation. All producing intervals in the Gallup will be stimulated as necessary. | | | | | | | |
| EXHIBITS: | | | | | | | |
| "A" 1 | UNLESS DR | EXPIRES 5-16-190 ILLING 17 COMMENCE CE MUST BE SUBMITT DAYS. | <u></u> | NOVI 5 1989 L COM, D DIST. 3 | | | |
| 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 MOWOUT PREVENTER PROGRAM, IF ANY. | | | | | | | |
| I hereby certify that the information above is true and complete to the best of my knowledge and belief. | | | | | | | |
| SIGNATURE Agent, Bannon Energy, Inc. DATE 11-14-89 | | | | | | | |
| TYPEOR PRINT NAME W. J. Holcomb TELEPHONE NO. | | | | | | | |
| (This space for State Use) APPROVED BY | | | | | | | |
| 1800 TO BE USED | | | | | | | |

Submit to Appropriate District Office State Lease - 4 copies Fee Lease - 3 copies

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102 Revised 1-1-89

OIL CONSERVATION DIVISION

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

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

1000 Rio Brazos Rd., Aztec, NM. 87410 All Distances must be from the outer boundaries of the section Well No. F2 50 Operator State Bannon Energy Inc. County Section Township Unit Letter .̃.23N. R.6W. Rio Arriba NMPM. Actual Footage Location of Well: 825 North line and feet from the Dedicated Acreage: Producing Formation Ground level Elev. Counselors Dakota 61.58 Acres 6670 Gallup 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 interest of all owners been consolidated by communitization, unitization, force-pooling, etc.? N₀ If answer is "yes" type of consolidation Yes If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if neccessary. 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 interest, has been approved by the Division. OPERATOR CERTIFICATION S.89-27W. (R) 2680.59 certify that the information herein in true and complete to the 825 Kedge and bettef. J. Holcomb Printed Name Agent, Bannon Energy Position Company Date 11-14-89 SURVEYOR CERTIFICATION 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 supervison, and that the same is true and correct to the best of my knowledge and belief. Date Surveye Signatur Professi Certificate No. Register de Protagation al 9679

1000

2000

1500

1980 2310 2640

660

990

1320 1650

500

