

30-039-24707

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

SUBMIT IN TRIPPLICATE\*

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

(Other instructions on reverse side)  
RECEIVED  
BLM MAIL ROOM

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. c/o Holcomb Oil & Gas

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

4. LOCATION OF WELL (Report location clearly and in accordance with BLM Form 3160-3)  
At surface  
Unit M 805' FSL x 660' FWL  
At proposed prod. zone

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14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST  
1.5 - 3.5 miles SE of Lybrook

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)  
2560

13. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.  
5800'

21. STATIONS (Show whether DF, RT, GR, etc.)  
This action is subject to technical and appraisal pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.  
6921' GR

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
12 1/2"	8 5/8"	24.0 lb. J-55	300'
7 7/8"	4 1/2"	11.6 Lb. K-55	5800'

22. APPROX. DATE WORK WILL START\*  
April 1, 1990

20. ROTARY OR CABLE TOOLS  
Rotary  
17. NO. OF ACRES ASSIGNED TO THIS WELL  
40.81  
11. SEC. T., R., M., OR SIX AND SURVEY OR AREA  
Sec. 18 T23N R6W  
12. COUNTY OR PARISH  
Rio Arriba  
13. STATE  
NM

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

EXHIBITS:

- "A" Location & Elevation Plat
  - "B" Ten Point Compliance Program
  - "C" Blowout Preventor Diagram
  - "D" Multi-point requirements of APD
  - "E" Site specific checklist for roads (Attachment to "E" - Topo map)
  - "F" Drill Rig Layout
  - "G" Completion Program Layout
  - "H" Location Profile
- The gas from this lease is committed.

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.

24. W. J. Holcomb  
SIGNED: [Signature] TITLE: Agent, Bannon Energy

PERMIT NO. \_\_\_\_\_ APPROVAL DATE: APR 22 1990

APPROVED BY: [Signature] TITLE: AREA MANAGER

CONDITIONS OF APPROVAL, IF ANY: [Signature]

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APR 2 1974

U.S. DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

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

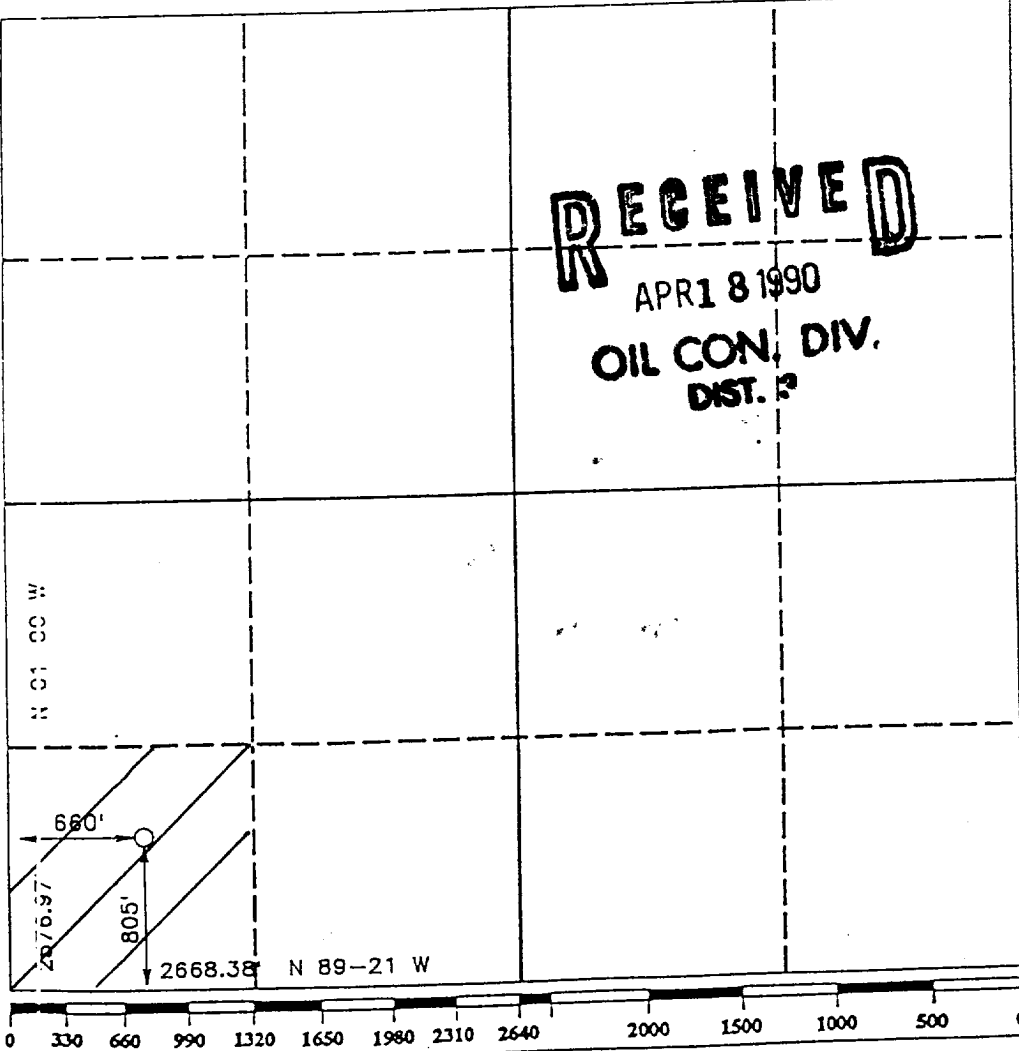
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Appropriate  
Office  
- 4 copies  
- 3 copies  
**DISTRICT I**  
P.O. Box 1980, Hobbs, NM 88240  
**DISTRICT II**  
P.O. Drawer DD, Artesia, NM 88210  
**DISTRICT III**  
1000 R.o Brazos Rd., Aztec, NM 87410

**WELL LOCATION AND ACREAGE DEDICATION PLAT**  
All Distances must be from the outer boundaries of the section

Operator <b>BANNON ENERGY, INC.</b>		Lease <b>FEDERAL 18</b>		Well No. <b>2</b>
Unit Letter <b>M</b>	Section <b>18</b>	Township <b>T.23 N.</b>	Range <b>R.6 W.</b>	County <b>RIO ARRIBA COUNTY</b>
Actual Footage Location of Well: <b>805</b> feet from the <b>SOUTH</b> line and <b>660</b> feet from the <b>WEST</b> line				
Ground Level Elev. <b>6921</b>	Producing Formation <b>GALLUP</b>	Pool <b>LYBROOK GALLUP</b>		Dedicated Acreage: <b>40.87</b> Acres

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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.?
  - 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 interest, has been approved by the Division.



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

Signature: *W.J. Holcomb*  
Printed Name: **W.J. HOLCOMB**  
Position: **AGENT**  
Company: **BANNON ENERGY, INC.**  
Date: **2-2-90**

**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 supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: **JANUARY 12 1990**  
Signature & Seal of Professional Surveyor: *R. Howard Daggert*  
Certificate No.: **9579**  
Registered Professional Land Surveyor

RECEIVED  
JAN 18 1950  
OIL CO. DIV.  
CANTON, OHIO