

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. 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 any State requirements.)

At surface

Unit I 1772 FSL x 813' FEL

At proposed prod. zone

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

2.5 miles SE of Lybrook

15. DISTANCE FROM PROPOSED*

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

16. NO. OF ACRES IN LEASE

2560

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

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

19. PROPOSED DEPTH

5800'

20. ROTARY OR CABLE TOOLS

Rotary

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

6964' GR

22. APPROX. DATE WORK WILL START*

5-31-90

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24.0 lb. J-55	300'	Cement to surface
7 7/8"	4 1/2"	11.6 Lb. K-55	5800'	800 sx-volume to be calculated subsequent to logging & circulated to surface.

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

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to drill or deepen additional wells, give data on present productive zone and proposed new productive
zone. If proposal is to drill or deepen additional wells, give data on present productive zone and proposed new productive zone. Give blowout
preventer program, if any.

24. W. J. Holcomb

SIGNED

MAY 11 1990

TITLE

Agent, Bannon Energy

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

4-2-90
APPROVED
AS AMENDED

MAY 08 1990

AREA MANAGER

RECEIVED
MAY 1 1960
OFF. COM. DIA.
EXT. 3

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 I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

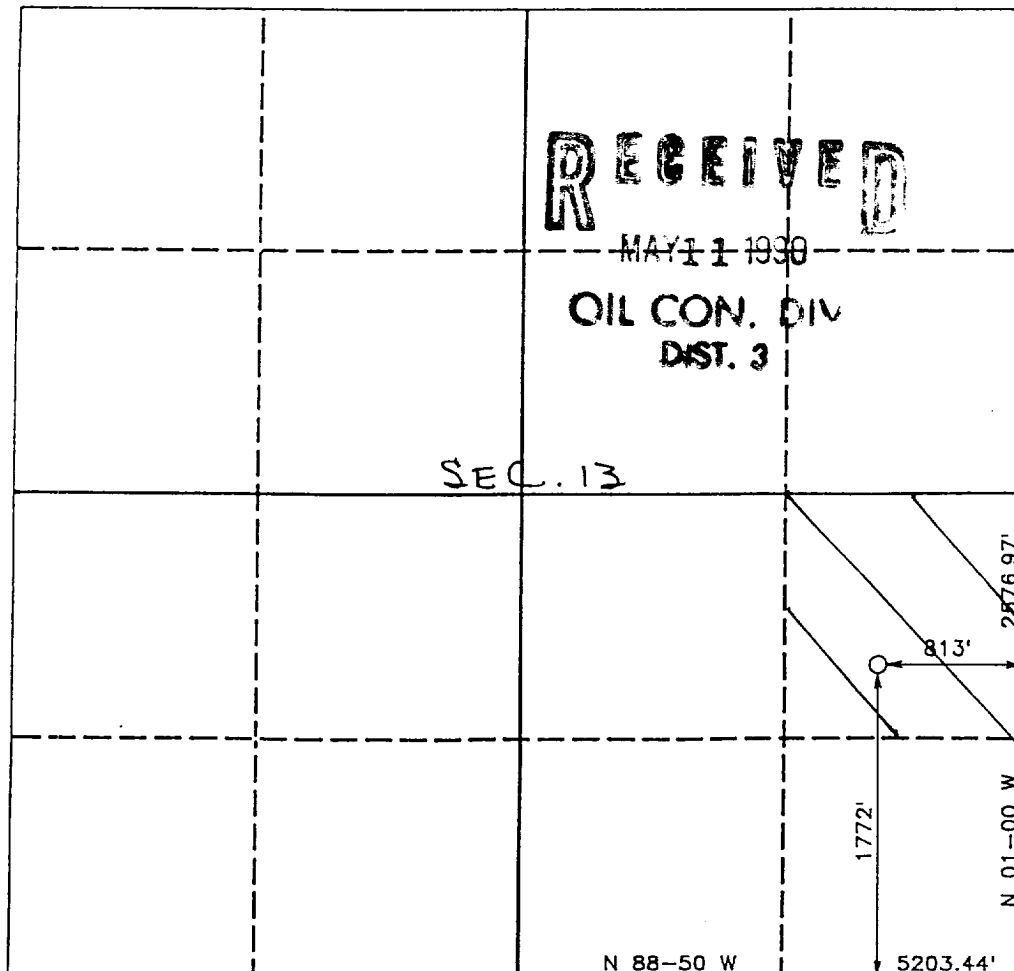
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator BANNON ENERGY, INC.			Lease FEDERAL 13		Well No. 3
Unit Letter I	Section 13	Township T.23 N.	Range R.7 W.	County RIO ARriba COUNTY	
Actual Footage Location of Well: 1772 feet from the SOUTH line and 813 feet from the EAST line					
Ground level Elev. 6964	Producing Formation Gallup		Pool Lybrook Gallup		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 interest of all owners been consolidated by communization, 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 communization, 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.

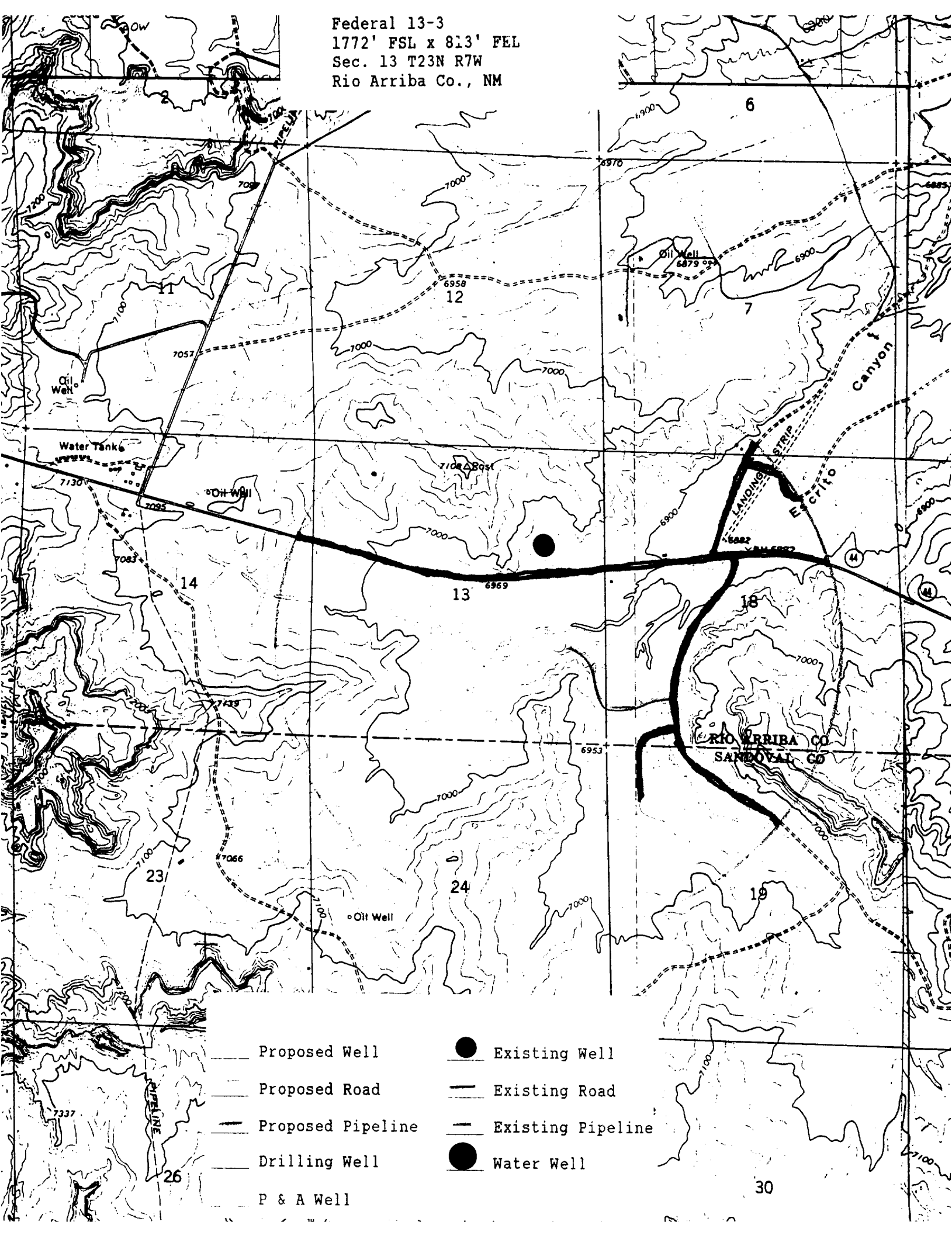
Signature *W. J. Holcomb*
Printed Name **W. J. Holcomb**
Position **Agent**
Company **Bannon Energy, Inc.**
Date **4-2-90**

SURVEYOR CERTIFICATION

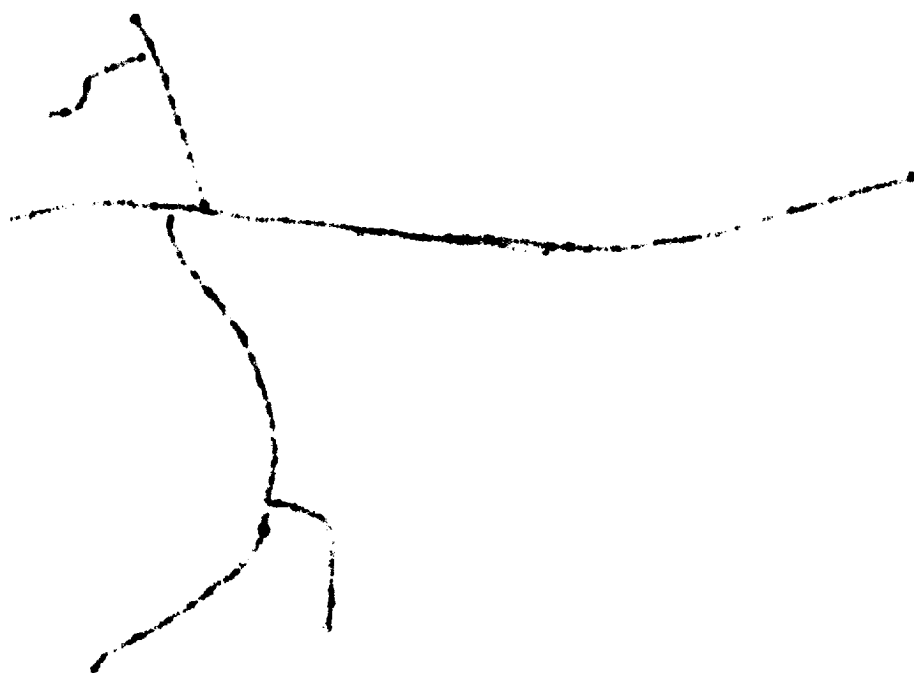
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed **JANUARY 11, 1990**
Signature & Seal of Professional Surveyor *R. Howard Dagge*
Certificate No. **9879**
Registered Professional Land Surveyor

Federal 13-3
 1772' FSL x 813' FEL
 Sec. 13 T23N R7W
 Rio Arriba Co., NM



- | | |
|-------------------------|---------------------|
| ----- Proposed Well | ● Existing Well |
| ----- Proposed Road | — Existing Road |
| ----- Proposed Pipeline | — Existing Pipeline |
| ----- Drilling Well | ● Water Well |
| ----- P & A Well | |





LTR



Job separation sheet

WELL NAME AND NUMBER FEDERAL 13#3

LOCATION SEC. 14, T23N, R7W; RIO ARRIBA COUNTY, NEW MEXICO
(New Mexico give U, S, T, & R; Texas give S, Blk., Sur. & Twp. when required.)

OPERATOR BANNON ENERGY INC.

DRILLING CONTRACTOR AZTEC WELL SERVICING CO., INC.

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above-described well and that he has conducted deviation tests and obtained the following results:

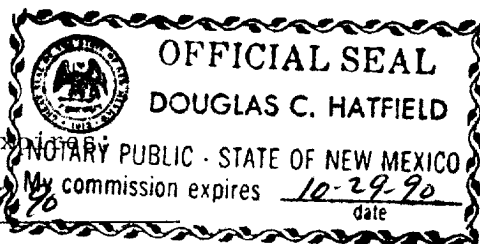
<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>
<u>1/4° @ 325'</u>	<u> </u>	<u> </u>	<u> </u>
<u>1° @ 825'</u>	<u> </u>	<u> </u>	<u> </u>
<u>1 1/4° @ 1332'</u>	<u> </u>	<u> </u>	<u> </u>
<u>1 3/4° @ 1831'</u>	<u> </u>	<u> </u>	<u> </u>
<u>1° @ 2349'</u>	<u> </u>	<u> </u>	<u> </u>
<u>1 1/4° @ 2853'</u>	<u> </u>	<u> </u>	<u> </u>
<u>1° @ 3787'</u>	<u> </u>	<u> </u>	<u> </u>
<u>1° @ 4281'</u>	<u> </u>	<u> </u>	<u> </u>
<u>1 1/2° @ 4842'</u>	<u> </u>	<u> </u>	<u> </u>
<u>1 1/4° @ 5342'</u>	<u> </u>	<u> </u>	<u> </u>
<u>1/4° @ 5710'</u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>
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RECEIVED
AUG 5 1990
OIL CON. DIV.
DIST. 3

Drilling Contractor AZTEC WELL SERVICING CO., INC.

By Sally Gandel

Subscribed and sworn to before me this 13th day of August, 1990



My Commission Expires 10-29-90 SAN JUAN County, NEW MEXICO

1880
JUL 14 1880
MILWAUKEE
WIS

1880
JUL 14 1880
MILWAUKEE
WIS