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

SUBMIT IN TRIPLICATE*
(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

30-039-24938

RECEIVED

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK: DRILL [XX] DEEPEN [ ] PLUG BACK [ ]

b. TYPE OF WELL: OIL WELL [XX] 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: 334' FSL x 697' FWL
Unit ~~M~~ ~~635~~' FSL x ~~2053~~ FWL
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: 2 miles SE of Lybrook

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any): 2560.24

16. NO. OF ACRES IN LEASE: 2560.24

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 DF, RT, GR, etc.): 7046' GR

22. APPROX. DATE WORK WILL START*: June 1, 1990

5. LEASE DESIGNATION AND SERIAL NO.: SF 078360

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: Navajo Indian Tribe

7. UNIT AGREEMENT NAME:

8. FARM OR LEASE NAME: Federal 13

9. WELL NO.: 1

10. FIELD AND POOL, OR WILDCAT: Lybrook Gallup

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec. 13 T23N R7W

12. COUNTY OR PARISH: Rio Arriba

13. STATE: NM

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SEP 27 1990
OIL CON. DIV
DIST. 3

BLM FARMINGTON RESOURCE AREA

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.

PROPOSED CASING AND CEMENTING PROGRAM

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

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12¼"	8 5/8"	24.0 lb. J-55	300'	Cement to surface
7 7/8"	4½"	11.6 Lb. K-55	5800'	800 sx-volume to be calculated subsequent to logging & circulate 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
"B" Ten Point Compliance Program
"C" Blowout Preventor Diagram
"D" Multi-point requirments 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: W. J. Holcomb TITLE: Agent, Bannon Energy DATE: 5-4-90

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

AS AMENDED

SEP 24 1990

John S. Keller
For AREA MANAGER

OK

NMOCD

*See Instructions On Reverse Side

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

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

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-102
Revised 1-1-89

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MAIL ROOM
90 SEP 26 AM 10:56
BUREAU OF LAND MANAGEMENT
FARMINGTON, NEW MEXICO

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator	Lease	Well No.
BANNON ENERGY, INC.	FEDERAL 13	1

Unit Letter	Section	Township	Range	County
M	13	T.23 N.	R.7 W. NMPM	RIO ARRIBA COUNTY

Actual Footage Location of Well: 334 feet from the SOUTH line and 697 feet from the WEST line

Ground level Elev.	Producing Formation	Pool	Dedicated Acreage:
7011	Gallup	Lybrook Gallup	40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

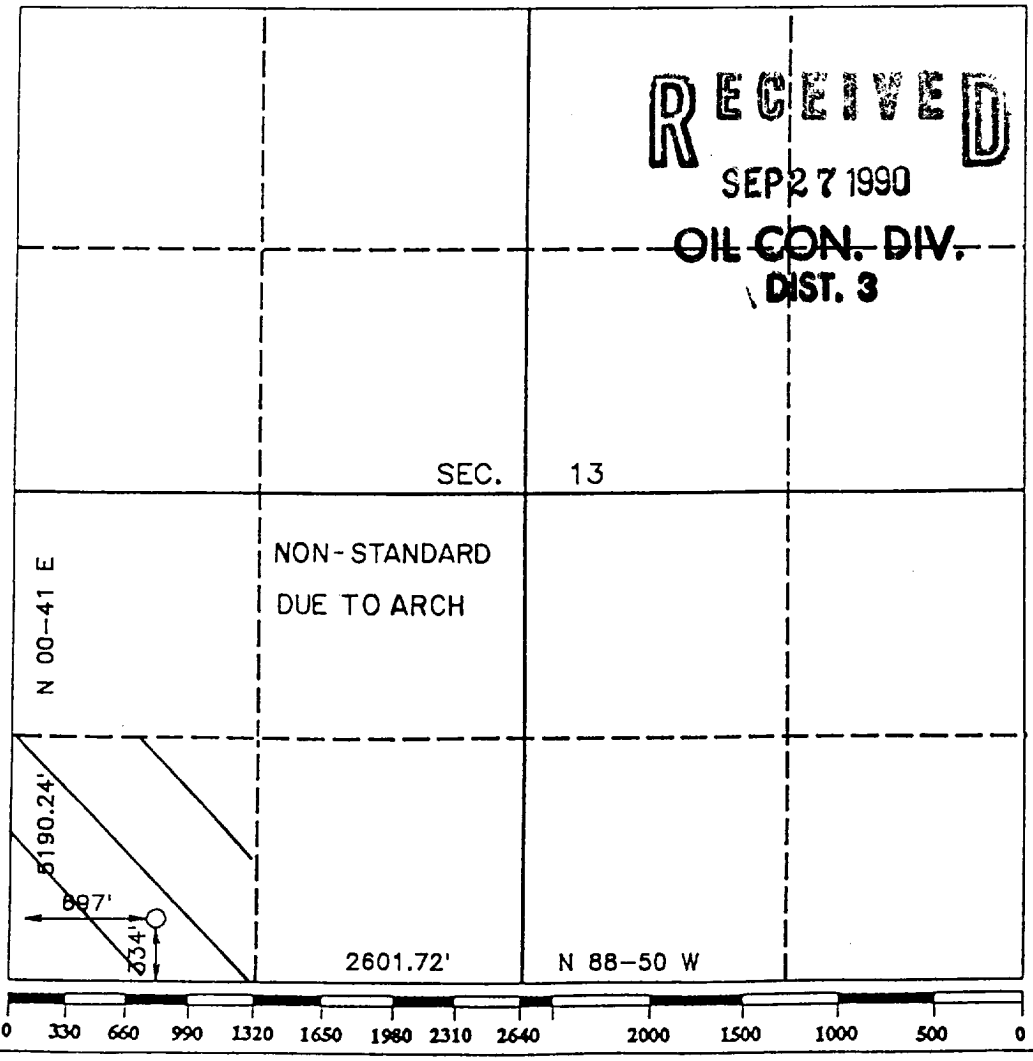
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by 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 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.



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SEP 27 1990
OIL CON. DIV.
DIST. 3

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

Agent
Position

Bannon Energy, Inc.
Company

5-15-90
Date

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 Surveyed

Signature & Seal of Professional Surveyor

R. HOWARD DAGGETT

Certificate No. 9679

Registered Professional Land Surveyor

Federal 13-1
636' FSL x 2053' FWL
Sec. 13 T23N R7W
Rio Arriba Co., NM