

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

30-039-24940

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>				5. LEASE DESIGNATION AND SERIAL NO. SF078360	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				6. IF INDIAN, ALLOTTEE OR TRIBE NAME -	
2. NAME OF OPERATOR Bannon Energy, Inc., c/o Daggett & Chenault, Inc.				7. UNIT AGREEMENT NAME -	
3. ADDRESS OF OPERATOR 3539 E. 30th, Ste. 7B, Farmington, NM 87401				8. FARM OR LEASE NAME Federal 13	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 813' FSL, 396' FEL Sec. 13, T.23 N., R.7 W. Unit P At proposed prod. zone same				9. WELL NO. 8	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 3 1/2 miles east of Escrito Trading Post				10. FIELD AND POOL, OR WILDCAT Lybrook Gallup	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. 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 DF, RT, GR, etc.) This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 6988' and appeal pursuant to 43 CFR 3165.4.				22. APPROX. DATE WORK WILL START* 9-15-90	
23. PROPOSED CASING AND CEMENTING PROGRAM					
DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS"					
SIZE OF HOLE		SIZE OF CASING		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-Vol. 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 | "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 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. R.A. Chubb
SIGNED R.A. Chubb TITLE Vice President DATE August 28, 1990

(This space for Federal or State use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

OCT 1 1990

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

OIL CON. DIV.
DIST. 3

NMOCD

*See Instructions On Reverse Side

EXHIBIT A

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

State of New Mexico
Energy, Minerals and Natural Resources Department

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		Lease FEDERAL 13		Well No. 8
Unit Letter P	Section 13	Township T.23 N.	Range R.7 W.	County RIO ARriba COUNTY
Actual Footage Location of Well: 813 feet from the SOUTH line and 396 feet from the EAST line				
Ground level Elev. 6988	Producing Formation Gallup	Pool Lybrook/Gallup	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 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.

RECEIVED
OCT 1 1990
OIL CON. DIV.
DIST. 3

SEC. 13

5203.44' N 88-50 W

5153.94'

396'

813'

N 01-00 W

OPERATOR CERTIFICATION

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

Signature

R.A. Chabaud

Printed Name

Vice President

Position

Bannon Energy Incorporated

Company

August 28, 1990

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

Date Surveyed

JULY 27 1990

Signature & Seal of

Professional Surveyor

R. HOWARD DAGGETT

9679

Certificate No.

9679

Registered Professional

Land Surveyor