

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL ☒ MAY 3 1990 DEEPEN ☐ PLUG BACK ☐
b. TYPE OF WELL
OIL WELL ☒ GAS WELL ☐ OTHER ☐ BUREAU OF LAND MANAGEMENT
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 663 621
Unit D 727' FNL x 827' FWL
At proposed prod. zone
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
3.5 miles NW 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
241.26
17. NO. OF ACRES ASSIGNED TO THIS WELL
40.21
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.)
6932' GR 6719'
22. APPROX. DATE WORK WILL START*
June 1, 1990

5. LEASE DESIGNATION AND SERIAL NO.
NM 23050
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Navajo Indian Tribe
7. UNIT AGREEMENT NAME
8. FARM OR LEASE NAME
Federal 6
9. WELL NO.
6
10. FIELD AND POOL, OR WILDCAT
Lybrook Gallup
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
D Sec. 6 T23N R7W
12. COUNTY OR PARISH
Rio Arriba
13. STATE
NM

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 & 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 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 *W. J. Holcomb* TITLE Agent, Bannon Energy DATE 5-4-90
(This space for Federal data only)
PERMIT NO. **RECEIVED** APPROVAL DATE **AS AMEND**
OCT 26 1990
APPROVED BY **OIL CON. DIV** TITLE **NMOCD**
CONDITIONS OF APPROVAL, IF ANY **DIST. 3**
OCT 15 1990
John S. Kelly
AREA MANAGER

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 6 | | Well No. 6 |
| Unit Letter D | Section 6 | Township T.23 N. | Range R.7 W. | County RIO ARriba COUNTY |
| Actual Footage Location of Well: 663 feet from the NORTH line and 621 feet from the WEST line | | | | |
| Ground level Elev. 6919 | Producing Formation Gallup | Pool Lybrook/Gallup | Dedicated Acreage: 40.21 acres | |

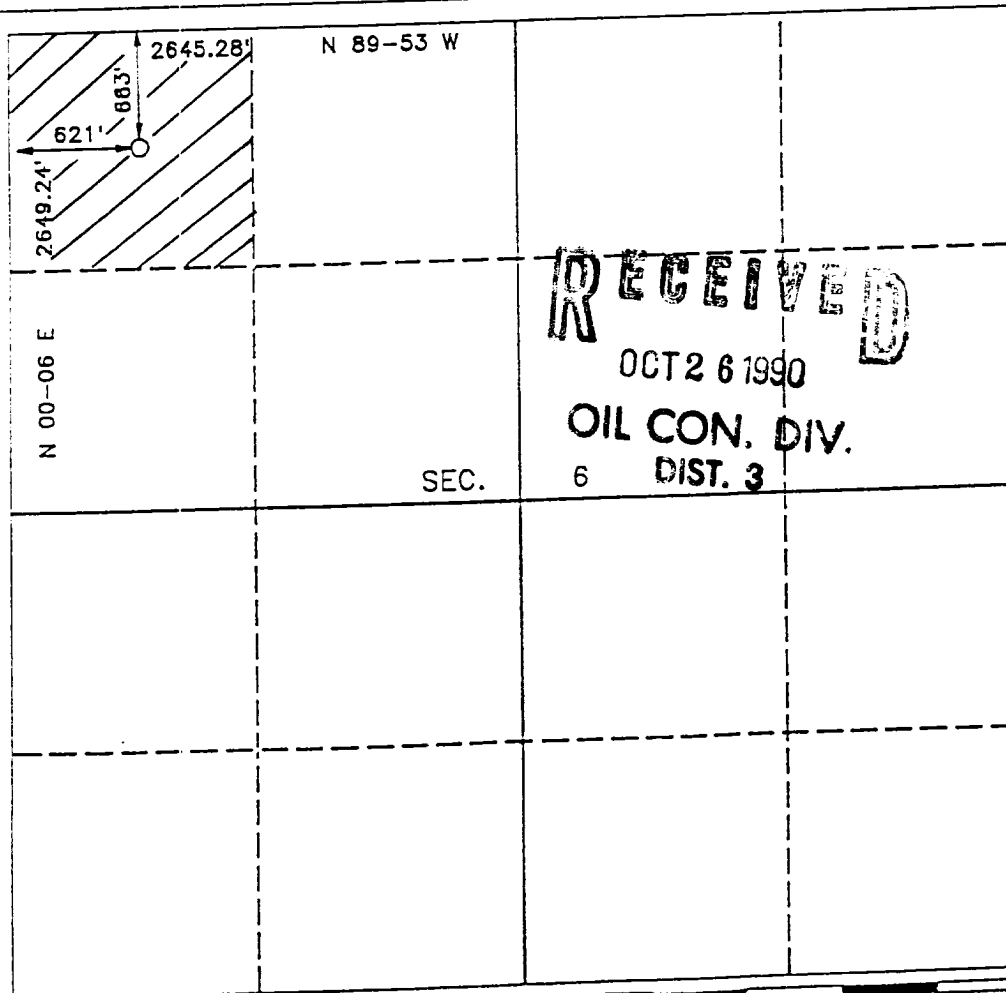
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.

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.



OPERATOR CERTIFICATION

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

Signature
Robert S. Larson
Printed Name
Robert S. Larson
Position
Right of Way Agent
Company
Daggett & Chenault Inc.
Date
8-28-90

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
JUNE 28, 1990
Signature & Seal of
Professional Surveyor
R. HOWARD DAGGETT
9679
Certificated No. **9679**
Registered Professional
Land Surveyor

Federal 6-6
 727' FNL x 827' FWL
 Sec. 6 T23N R7W
 Rio Arriba Co., NM

