

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

12. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

13. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER

SINGLE
ZONE ☐

MULTIPLE
ZONE ☒

14. NAME OF OPERATOR

Bannon Energy, Inc. c/o Helcomb Oil & Gas

15. ADDRESS OF OPERATOR

P.O. Box 2058, Farmington, NM 87499

16. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

Unit G 2049' FNL x 1647' FEL

At proposed prod. zone

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

4 miles SE of Lybrook

18. DISTANCE FROM PROPOSED*

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

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

20. NO. OF ACRES IN LEASE

2560524

21. NO. OF ACRES ASSIGNED
TO THIS WELL

40

22. PROPOSED DEPTH

5800'

23. ROTARY OR CABLE TOOLS

Rotary

24. ELEVATIONS (Show whether DV, RT, GR, etc.)

7021' GR

25. APPROXIMATE WORK WILL START*

June 1, 1990

This action is subject to technical and

procedural review pursuant to 43 CFR 3160.8

and appeal pursuant to 43 CFR 3160.4.

PROPOSED CASING AND CEMENTING PROGRAM

DRILLING OPERATIONS AUTHORIZED ARE

SUBJECT TO COMPLIANCE WITH ATTACHED

"GENERAL REQUIREMENTS"

Cement to surface

800 sx-volume to be calculated
subsequent to logging & circulate
to surface.

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

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.

RECEIVED

NOV 23 1990

OIL CON. DIV

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.

26. W. J. Helcomb

SIGNED

TITLE

Agent, Bannon Energy

DATE

4-30-90

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

NMOCB

*See Instructions On Reverse Side

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

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

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

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

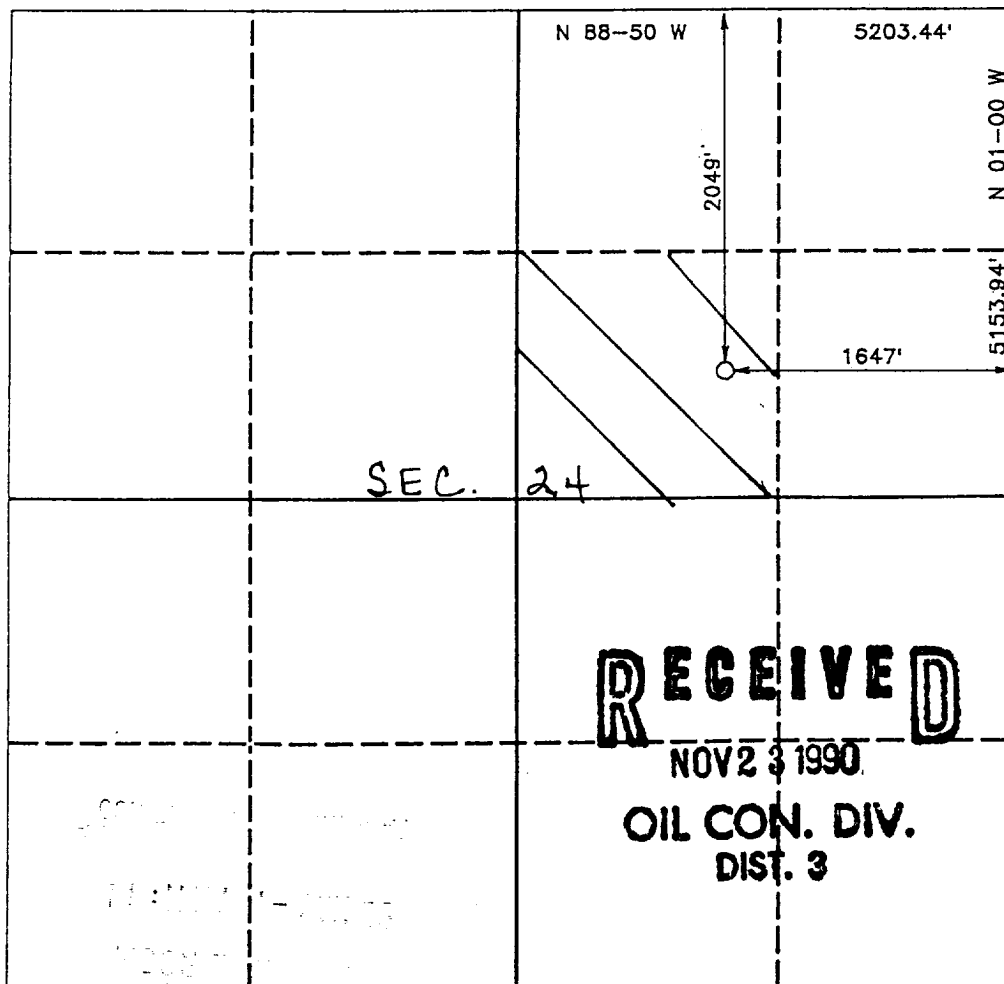
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator BANNON ENERGY, INC.			Lease FEDERAL 24		Well No. 5
Unit Letter G	Section 24	Township T.23 N.	Range R.7 W.	County SANDOVAL COUNTY	
Actual Footage Location of Well: 2049 feet from the NORTH line and 1647 feet from the EAST line					
Ground level Elev. 7021	Producing Formation Gallup		Pool Lybrook Gallup		Dedicated Acreage: 40 Acres

- Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 *[Signature]*
Printed Name **W.J. Holcomb**
Position **Agent**
Company **Bannon Energy, Inc.**
Date **April 30, 1990**

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 1990**
Signature & Seal of Professional Surveyor **R. EDWARD DAGGETT**
Certificate No. **9679**
Registered Professional Land Surveyor

Federal 24-5
2049' FNL x 1647' FEL
Sec. 24 T23N R7W
Sandoval Co., NM

Oil Well
Water Tanks
Escrito Canyon
LANONG STRIP
X BM 6882
RIO GRANDE CO
SANDOVAL CO
23N
7W
Oil Well
PIPELINE
26
25
30
24
23
14
13
18
19

7057
7130
7083
7095
7139
7266
7101
7128
7100
7037
7100
7200
7300
7337
7200
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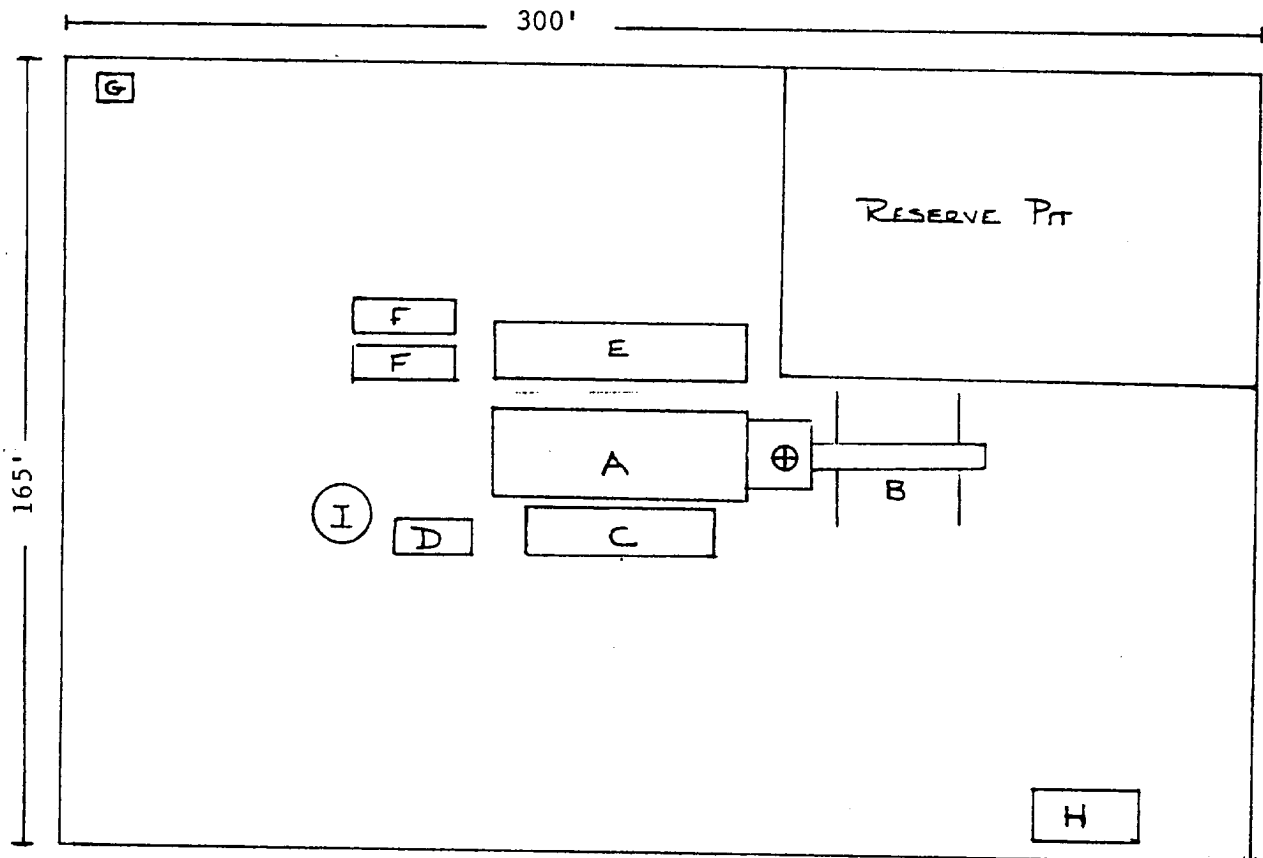
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|---|-------------------|---|-------------------|
|  | Proposed Well |  | Existing Well |
|  | Proposed Road |  | Existing Road |
|  | Proposed Pipeline |  | Existing Pipeline |
|  | Drilling Well |  | Water Well |
|  | P & A Well | | |



EXHIBIT "F"
Drill Rig Layout
BANNON ENERGY

Federal 24-5
2049' FNL x 1647' FEL
Sec. 24 T23N R7W
Sandoval Co., NM



A- Drilling Rig

B- Piperacks

C- Dog House x Water Tank

D- Fuel

E- Mud Pits

F- Pumps

G- Toilet

H- Trailer House

I- Oil Storage