Submit 3 Copies to Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

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

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

CONDITIONS OF APPROVAL, IF ANY:

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

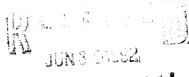
WELL API NO. 30039 22758 5. Indicate Type of Lease Fed. X STATE FEE

6 State Oil & Gas Lease No.

| 1000 Rio Brazos Rd., Aziec, NM 87410   | NM 33005                                  |  |  |
|--|---|--|--|
| SUNDRY NOTICES AND REPORTS ON WELLS  |   |  |  |
| / DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK  | TO A 7. Lease Name or Unit Agreement Name |  |  |
| DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)  |   |  |  |
| 1. Type of Well:   |   |  |  |
| OIL GAS WELL OTHER   | South Blanco Federal 31                   |  |  |
| 2. Name of Operator  | 8. Well No.                               |  |  |
| Bannon Energy, Inc.  | 9. Pool name or Wildcat                   |  |  |
| 3. Address of Operator   |   |  |  |
| 3934 FM 1960 West, Ste. 240; Houston, Texas 77068 Lybrook/Gallup   |   |  |  |
| 4. Well Location   |   |  |  |
| Unit Letter G: 2290 Feet From The North Line and 2290 Feet From The East Line  |   |  |  |
| Section 31 Township 24-N Range 8-W   | NMPM Rio Arriba County                    |  |  |
| 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 6980 GR   |   |  |  |
| Charles Appropriate Poy to Indicate Nature of Notice Report or Other Data  |   |  |  |
| the contract of the contract o | SUBSEQUENT REPORT OF:                     |  |  |
| NOTICE OF INTENTION TO:  | SUBSEQUENT REFORM OF:                     |  |  |
| PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WO   | DRK ALTERING CASING                       |  |  |
| TEMPORARILY ABANDON CHANGE PLANS COMMENCE D  | PILLING OPNS. PLUG AND ABANDONMENT        |  |  |
| PULL OR ALTER CASING CASING TEST   | CASING TEST AND CEMENT JOB                |  |  |
| OTHER: Temporarily Suspend X OTHER:  | OTHER:                                    |  |  |

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Temporarily suspend well pending determination of further utility. Remedial operations to recomplete this well are contingent on other wellwork projects which will prove up Menafee coal seam reserves. Plugback proposals are expected to be completed within three months, prior to expiry of tight gas tax credits in 1992. This well is to be tested and approved for TA prior to December 31, deadline.



|  | OIL CON.  |                         |
|--|---|-------------------------|
| I hereby certify that the information above as true and complete to the best of my known SIGNATURE | vledge and belief.  Permit Agent  | DATE6/30/92             |
| TYPE OR PRINT NAME Robert S. Larson  |   | ТЕLЕРНОЯТЕ NO. 326-0074 |
| (This space for State Use)  Original Signed by CHARLES GHOLSON                                     | ୨୫୭ ମୁମ୍ୟ <i>ମଧ୍ୟ</i> ଓ ୫୬ ମ <b>୪୬୧୫୯୮</b> ୯୭, ଅଧୀର କୁ <b>ଓ</b><br>— 100୫ | JUN 3 0 1982            |