Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993

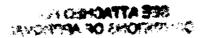
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SUNDRY NOTICES	AND	REPORTS	ON	WELLS	
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6/ If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT-" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1. Type of Well 8. Well Name and No. Oil Well X Gas Well South Blanco Fed. 2. Name of Operator 9. API Well No. Bannon Energy Inc., c/o Daggett Inc. 30 039 22587 3. Address and Telephone No. 10. Field and Pool, or Exploratory Area (505)326-1772420 W. Elm, Farmington, NM, 87401 Potwin Pictured Cliffs 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) II. County or Parish, State Extention Unit H, 2270 FNL, 940 FEL, Section 31, T24N-R7W Rio Arriba CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF ACTION TYPE OF SUBMISSION Change of Plans X Notice of Intent Abandonment New Construction Recompletion Non-Routine Fracturing Plugging Back ___ Subsequent Report Water Shut-Off Casing Repair Conversion to Injection Altering Casing Final Abandonment Notice Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) 13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)* Rig up & Nipple up B.O.P., Set bridge plug at 5464 and spot cement from 5464 to 5350 Spot cement plug from 3191 to 3041. Perforate and Frac. the Pictured Cliffs at approximately 2090 to 2110. Frac. with approximately 11,000 gallons of 35# guar based gel. and 51,000 pounds of 20/40 mesh Ottawa Sand. See attached Fracture Treatment Design. OIL COM DIV. 14. I hereby certify that the foregoing is true and correct Permit Agent for Bannon E. IncDate 12/02/94 Title (This space for Federal or State office use) APPROVEU Title Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States 1, fa.s.



or representations as to any matter within its jurisdiction.



APPROPRIES

STOREMENT HOTOL

State of New Mexico Energy, Minerals & Mining Reources Department OIL CONSERVATION DIVISION

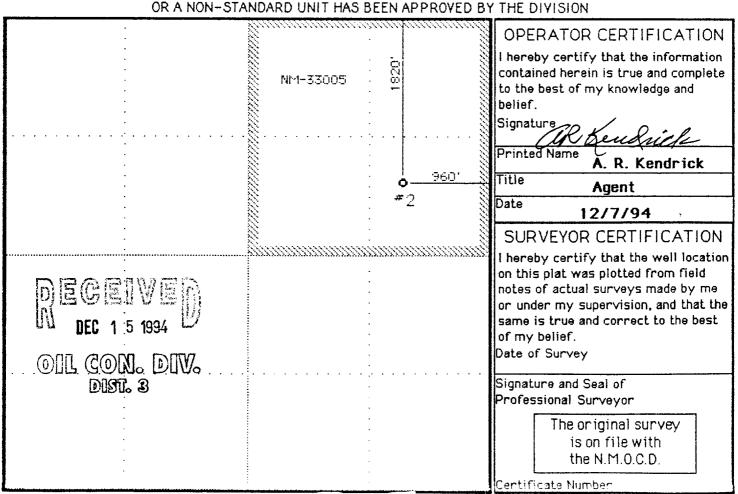
P. O. Box 6429

Santa Fe, New Mexico 87504-6429

Form C-102

AMENDED REPORT

AP! Number Pool Code Pool Name							ne				
30-039-22587 83					0	Potwin-Pictured Cliffs extension					
Property Code			Property (Well) Name						Well Number		
1739				South Blanco Federal 31 2							
OGRID No.			Operator Name						Elevation		
1587				В	Bannon Energy, Inc.					7015' GR	
					Surfac	e Location					
UL or Lot	Sec.	Twp.	Rge.	Lot Idn.	Feet from	> North/	'South	Feet_from >	East/	West	County
<u> </u>	31	24N	7W		1820	Nor	`th	\$ 60	East		Rio Arriba
			Во	ttom Holi	e Location I	f Different	t From :	Surface			
UL or Lot	Sec.	Twp.	Rge.	Lot Idn.	Feet from	> North/	South	Feet from >	East/	West	County
Dedication	Jo	int? Consolidation Order No.									
160	160 N										
NO ALLOW	/ABLE							NTERESTS H. BY THE DIVI		EEN CC	NSOLIDATED
								889		CERT	IFICATION
I hereby cert											



HYDRAULIC FRACTURE TREATMENT DESIGN **BANNON ENERGY INCORPORATED** South Blanco Federal 6-2 (Pictured Cliffs) 50-14 Blanco Feb. 31-2

The following treatment should be pumped down 4 1/2 inch casing at 25 BPM:

Stage	Fluid Type	Fluid Volume (gals)	Sand Conc. (ppg)	Stage Sand (lbs)
Prepad	35# Linear Gel	1,000	-	<u>-</u>
Pad	35# CX Borate	2,000	-	-
1	35# CX Borate	1,500	3	4,500
2	35# CX Borate	1,500	6	9,000
3	35# CX Borate	1,500	9	13,500
4	35# CX Borate	2,000	12	24,000
Flush	35# Linear Gel	1 bbls short	_	-

Total Fluid: 11,000 gailons of 35# guar based gel (one 500 bbls tank)

Total Sand: 51,000 pounds of 20/40 mesh Ottawa Sand

> Treatment should be flowed back immediately following pumping using forced closure technique.

All water based fracturing fluids should contain biocide to prevent bacteria growth.

Crosslinked fluids should be pre tested to Insure good viscosity through pump time and the ability to break back to water following pumping.

Use 2% KCI water as base fluid.

UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT FARMINGTON DISTRICT OFFICE

1235 La Plata Highway Farmington, New Mexico 87401

Attachment to Notice of Re: Plug Back

Intention to Plug Back Well: 2 South Blanco Federal 31

CONDITIONS OF APPROVAL

- 1 **Mike Flaniken** with the Farmington Office is to be notified at least 24 hours before the plug back operations commence (505) 599-8907.
- 3. The following modifications to your plug back program are to be made (when applicable):
 - 1.) Move the Mesaverde cement plug from 3191'-3041' to 3646'-3496'. (Top of Mesaverde @ 3596')