



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE

1000 OLD HIAZOS ROAD  
AZTEC, NEW MEXICO 87410  
(505) 334-6170

OIL CONSERVATION DIVISION  
BOX 2088  
SANTA FE, NEW MEXICO 87501

DATE 1-3-89

RE: Proposed HC \_\_\_\_\_  
Proposed DHC \_\_\_\_\_  
Proposed HSL X \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed PHX \_\_\_\_\_

Gentlemen:

I have examined the application dated 12-27-87  
for the BARNON ENERGY INC. MESA 25 #3R M-25-241-710  
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

APPROVE  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
NSL-2636  
\_\_\_\_\_

Yours truly,

Em Bunch

# BANNON ENERGY INCORPORATED

3934 F.M. 1960 West, Suite 240  
Houston, Texas 77068  
(713) 537-9000

December 22, 1988

**RECEIVED**  
DEC 27 1988  
OIL CON. DIV.  
DIST. 3

Mr. Mike Stogner  
Energy and Minerals Dept.  
Oil Conservation Division  
310 Old Santa Fe Trail, Room 206  
Santa Fe, New Mexico 87503

RE: Approval of Non Standard Location - Mesa 25-3R  
960' FSL x 1160' FWL  
Sec. 25 - T24N - R7W, Escrito Gallup Field  
Rio Arriba County, New Mexico

Dear Mr. Stogner:

Please accept this letter as request for approval of non-standard location for the above referenced well. This well is being drilled as a replacement well for the Mesa 25-3 which was a Gallup producer and temporarily abandoned in June, 1987 due to a casing leak in the Mesaverde.

The archeological survey was conducted on November 18, 1988. The Mesa 25-3R was staked at the above referenced location. We request your approval of a location exception based on the following:

The natural fracture trend in the Escrito-Lybrook Gallup area is approximately 10 - 20 degrees east of north. The Mesa 25-3 was fracture stimulated upon completion and the subject replacement well will also be fracture stimulated. Due to the natural fracture orientation, as mentioned above, a replacement well drilled to the north or south of the original well, would have a high probability of direct communication with the original well. Also, there exists the chance of damaging the squeeze of the Mesaverde in the original well which could possibly water out the replacement well.

On November 18, the Division of Conservation Archeology of the San Juan County Museum Association conducted an archeological survey of the location area. The inspection revealed a site west and a site southwest of the existing well pad. The report no. 1437 **ATTACHMENT NO. 1** recommended moving the drill pad to the east of the existing well and has granted clearance for this location.

Bannon operates the east offset well, (Mesa 25-2). This well is approximately 3200 feet from the proposed Mesa 25-3R location. Since the Escrito Gallup pool is spaced on 80 acres, no offset drainage problems will exist.

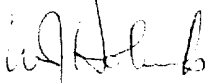
Mr. Mike Stogner  
RE: Mesa 25-3R - Non Standard Location

December 22, 1988  
Page 2.

ATTACHMENT NO. 2 is a map of offset leases within a one mile radius of the proposed location. The offset operators have been notified of this non-standard location request and copies of the registered receipts are shown as ATTACHMENT NO. 3.

Should you have any questions regarding this matter, please call Brad Salzman at (505) 326-0550. Thank you for your consideration in this matter.

Sincerely,



W. J. Holcomb  
Operating Agent,  
Bannon Energy, Inc.

WJH:slh

Attachments

cc: Ernie Busch  
NMOCD - Aztec, New Mexico

RECEIVED

DEC 27 1988

OIL CON. DIV.

DIST. 3

DIVISION OF CONSERVATION ARCHAEOLOGY

San Juan County Museum Association  
Farmington, New Mexico

An Archaeological Survey of  
The Mesa #25-3R Well Pad North of  
Lybrook, Rio Arriba County, New Mexico

for

Bannon Energy

by

Byron P. Johnson  
Director

Technical Report No. 1437

December 6, 1988

Project No. 175-88-C

Cultural Resource Use Permit  
7-2920-87-D (NM BLM)  
State of New Mexico 88-010

An Archaeological Survey of  
The Mesa #25-3R Well Pad North of  
Lybrook, Rio Arriba County, New Mexico

for  
Bannon Energy

Prepared  
and  
Submitted by

Byron P. Johnson  
Director

DIVISION OF CONSERVATION ARCHAEOLOGY

Technical Report No. 1437  
San Juan County Archaeological Research Center and Library

December 6, 1988

# ABSTRACT

On November 18, 1988, the Division of Conservation Archaeology of the San Juan County Museum Association completed an archaeological survey of the Mesa #25-3R well location for Bannon Energy. The survey area is located north of Lybrook, Rio Arriba County, New Mexico and is under the jurisdiction of the Bureau of Land Management. Approximately 6.0 acres were intensively inventoried.

Two archaeological sites were found. DCA-88-253 is just west of an existing well and DCA-88-254 is southwest of the same well. The sites were avoided by locating the well pad to the east of the existing well. Archaeological clearance is recommended for the Mesa #25-3R well pad.

## INTRODUCTION

On November 18, 1988, the Division of Conservation Archaeology (DCA) of the San Juan County Museum Association conducted an archaeological survey for Bannon Energy. Brad Salzman of Holcomb Oil and Gas, Farmington, New Mexico requested the survey on November 16, 1988 and administered the project for Bannon Energy. Byron P. Johnson administered the project for DCA.

In recognition of the limited, nonrenewable nature of archaeological remains, the federal government has enacted legislation that is designed to conserve and protect these resources. The principal legislation includes the Antiquities Act of 1906 (PL 52-209), the Historic Preservation Act of 1966 (PL 89-665) and, as amended (PL 96-515), the National Environmental Policy Act of 1969 (PL 91-852), the 1971 Executive Order No. 11593, the Archaeological and Historical Conservation Act of 1974 (PL 93-291), and the Archaeological Resources Protection Act of 1979 (PL 96-95). In addition, the Navajo Nation and the states of Arizona, New Mexico, Utah, and Colorado have enacted laws to ensure compliance with federal legislation and to protect archaeological resources within their jurisdiction. Work undertaken in the course of this project is intended to comply with these statutes and is governed by the stipulations of Cultural Resource Use Permit 7-2920-87-D (NM BLM) and State of New Mexico 88-010.

Byron Johnson, DCA archaeologist, surveyed the project area for cultural remains. Brad Salzman of Holcomb Oil and Gas accompanied the archaeologist during the fieldwork.

## METHODS

The area was surveyed by walking zigzag transects spaced 15 m apart over the survey area. A buffer zone 100 ft wide around the perimeter of the well pad was also surveyed. The archaeologist recorded all cultural remains. Those whose information potential exceeded what could be extracted during the survey phase were assigned site status. Other cultural remains were documented as isolated loci (IL). Pertinent environmental data were also recorded.

In addition to field inspection, the archaeologist conducted a search of the records at the Bureau of Land Management (BLM), Farmington Resource Area and at DCA to determine if any sites had been recorded in the project area. Site and project records required by the BLM and the New Mexico Historic Preservation Division were completed.

## PREVIOUSLY RECORDED SITES

The records check revealed six previously recorded sites within one mile of the proposed project area. Those sites are shown on BLM Supplement 1 which is provided to the BLM only. None of the sites are within 1000 ft of the project.

## PROJECT DESCRIPTION

### Mesa #25-3R

Legal Description: T24N, R7W, Section 25, NE 1/4 SW 1/4 SW 1/4  
960' F/SL, 1160' F/WL  
N.M.P.M., Rio Arriba County, New Mexico

Map Source: U.S.G.S. 7.5' Crow Mesa East, New Mexico 1985  
(Provisional Edition)

Land Jurisdiction: Bureau of Land Management

Project Area: 150' x 280' (well pad)

Surveyed Area: 450' x 580' (well pad with buffer)  
6.0 Acres

Description: The proposed well pad (Figure 1) is located 3.5 miles north-northeast of Lybrook, New Mexico on the south edge of a long finger of Crow Mesa and overlooks an unnamed tributary of Johnson Canyon.

Vegetative cover is 40 to 60% pinyon pine (Pinus edulis) and juniper (Juniperus sp.) with lesser amounts of sagebrush (Artemisia tridentata), snakeweed (Gutierrezia sarothrae), Mormon tea (Ephedra sp.), prickly pear cactus (Opuntia sp.), and various grasses.

The proposed Mesa #25-3R well pad overlaps the existing Mesa 25-3 well pad (Figure 2) with the centers being only 200 ft apart. The proposed well was intended to be west of the existing well pad, but two archaeological sites were found west and southwest of the original well pads forcing the proposed pad to the east.

Cultural Resources: Two sites, DCA-88-253 and DCA-88-254, were located west and southwest of the existing well pad.

DCA-88-253 is a small (8 x 8 m) sherd and lithic scatter with three features, one containing a probable hearth. The site is located 6 m west of an existing well pad (Mesa 25-3) and 10 m north of that well pad is access road. The site was not recorded during the original survey but was not impacted during construction of the well pad.

Feature 1 consists of a probable hearth with several pieces of fire-altered sandstone and a 1.5 x 2.0 m charcoal stain. The feature also contains one gray quartzite secondary flake, a core of the same material, a Navajo gray ware sherd, and three terrace gravel cobbles which have been used as hammerstones.

Feature 2 is a small cluster (2 x 2 m) of nine Navajo gray ware sherds with sand temper.

Feature 3 is another 2 x 2 m cluster of Navajo sherds (6) and a 7 x 4.5 x 4 m quartzite cobble hammerstone.



All three features probably contain intact subsurface deposits.

DCA-88-254 is a 5 x 10 m sherd, lithic and fire-cracked rock scatter which is located 70 m south of the existing access road and 25 m west of the Mesa 25-3 well pad. Ten Navajo gray ware sherds and a concentration of fire-cracked rock in a small drainage were noted. An inspection of the drainage erosion suggests intact deposits of 10 to 30 cm may exist in the site.

Recommendations: Both sites are adequately avoided with the well pad at its present location (960S, 1160W). Archaeological clearance is recommended for the Mesa #25-3R well pad.

## OIL CONSERVATION DIVISION

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

EXHIBIT "A"

Form C-102  
Revised 10-1-78

All distances must be from the outer boundaries of the Section.

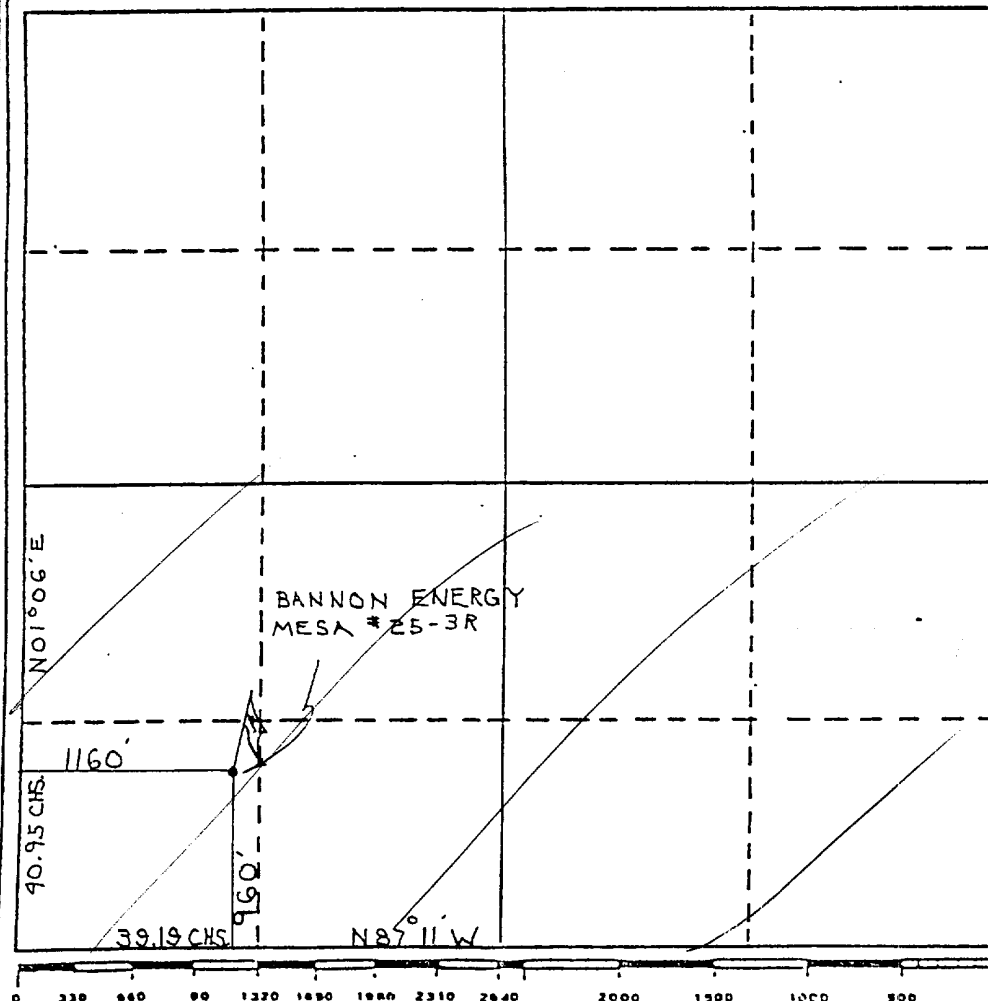
Operator <b>Bannon Energy</b>			Lease <b>Mesa</b>			Well No. <b>#25-3R</b>		
Unit Letter <b>M</b>	Section <b>25</b>	Township <b>T24N</b>	Range <b>R7W</b>	County <b>Rio Arriba County</b>				
Actual Footage Location of Well <b>960</b> feet from the <b>South</b> line and <b>1160</b> feet from the <b>West</b> line								
Ground Level Elev. <b>6909</b>	Producing Formation		Pool		Dedicated Acreage: <b>Acres</b>			

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 interests 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 interests, has been approved by the Division.



## CERTIFICATION

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

By: *Bradley R. Salzman*  
Name

AGENT

Position

**BANNON ENERGY**

Company

**November 22, 1988**

Date

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

**November 18, 1988**

Registered Land Surveyor

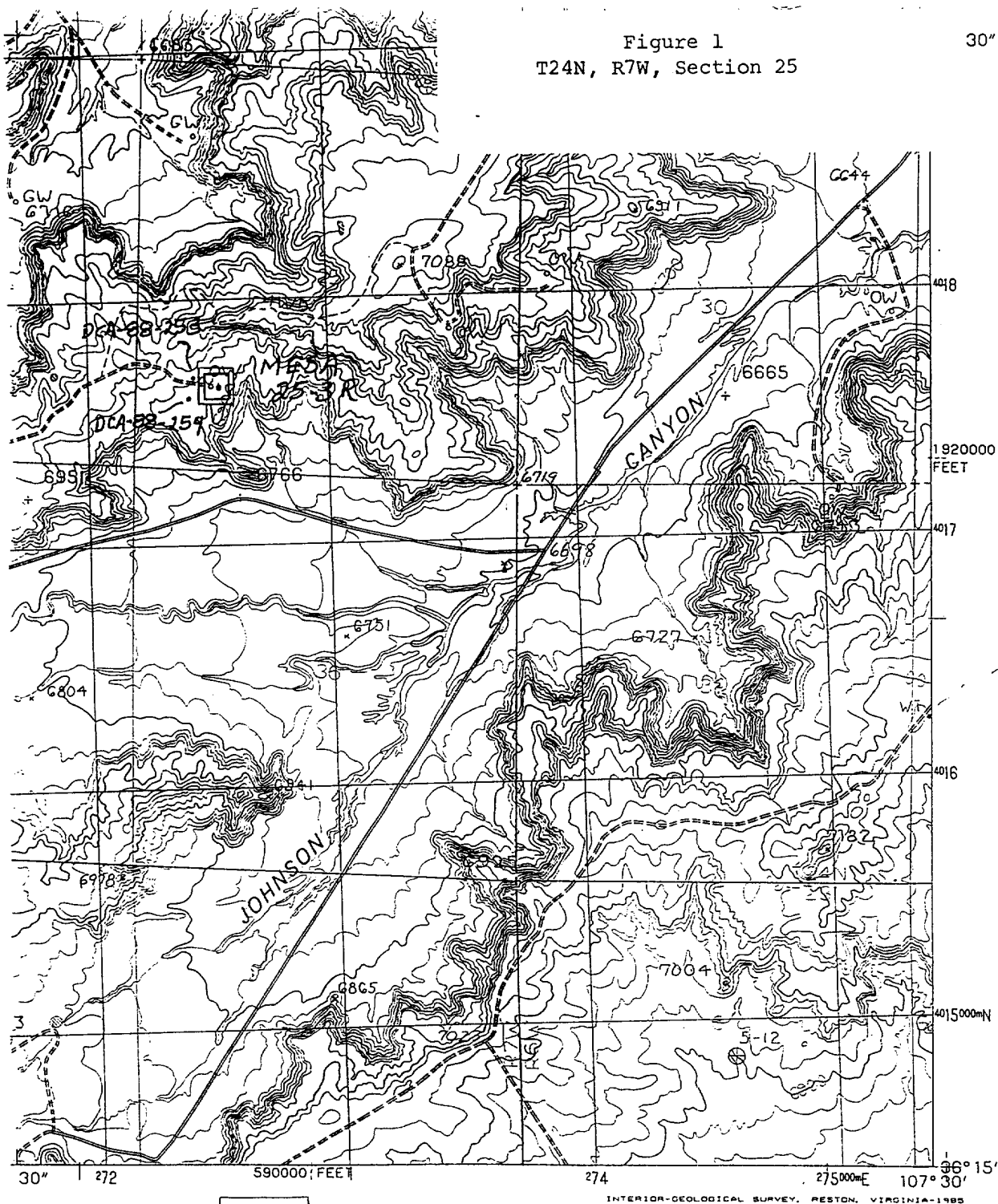
**R. Howard Daggett**

*R. Howard Daggett*  
Certificate No.

**9679**

Figure 1  
T24N, R7W, Section 25

30"



QUADRANGLE LOCATION

1	2	3	1 Thompson Mesa
			2 Smouse Mesa
			3 Gonzales Mesa
4		5	4 Crow Mesa West
			5 Tafoya Canyon
			6 Lybrook NW
6	7	8	7 Lybrook
			8 Compadre

ADJOINING 7.5' QUADRANGLE NAMES

# ROAD LEGEND

Improved Road . . . . .  
Unimproved Road . . . . .  
Trail . . . . .

○ Interstate Route    □ U.S. Route    ○ State Route

CROW MESA EAST, NEW MEXICO  
PROVISIONAL EDITION 1985

36107-C5-TF-024

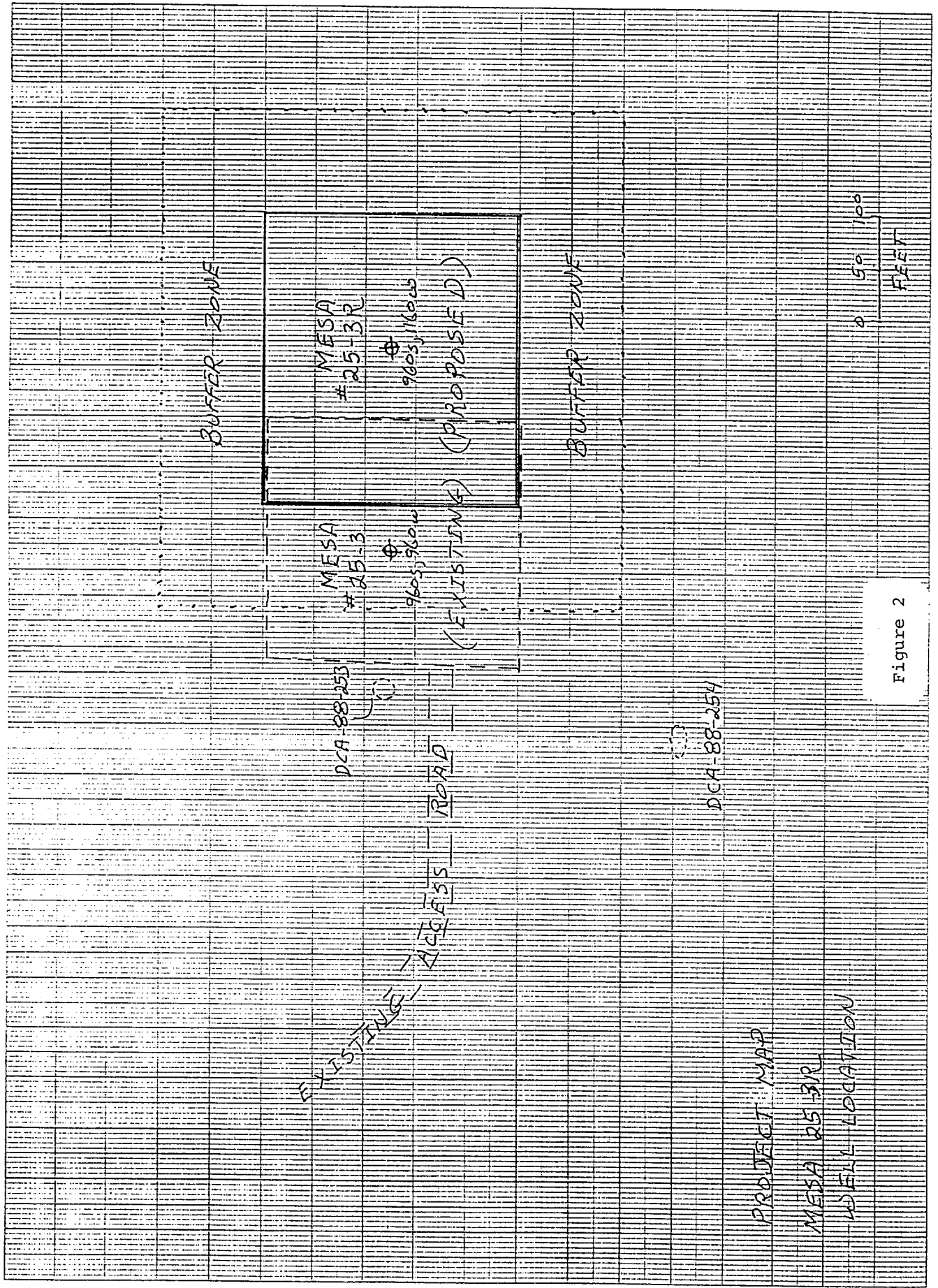
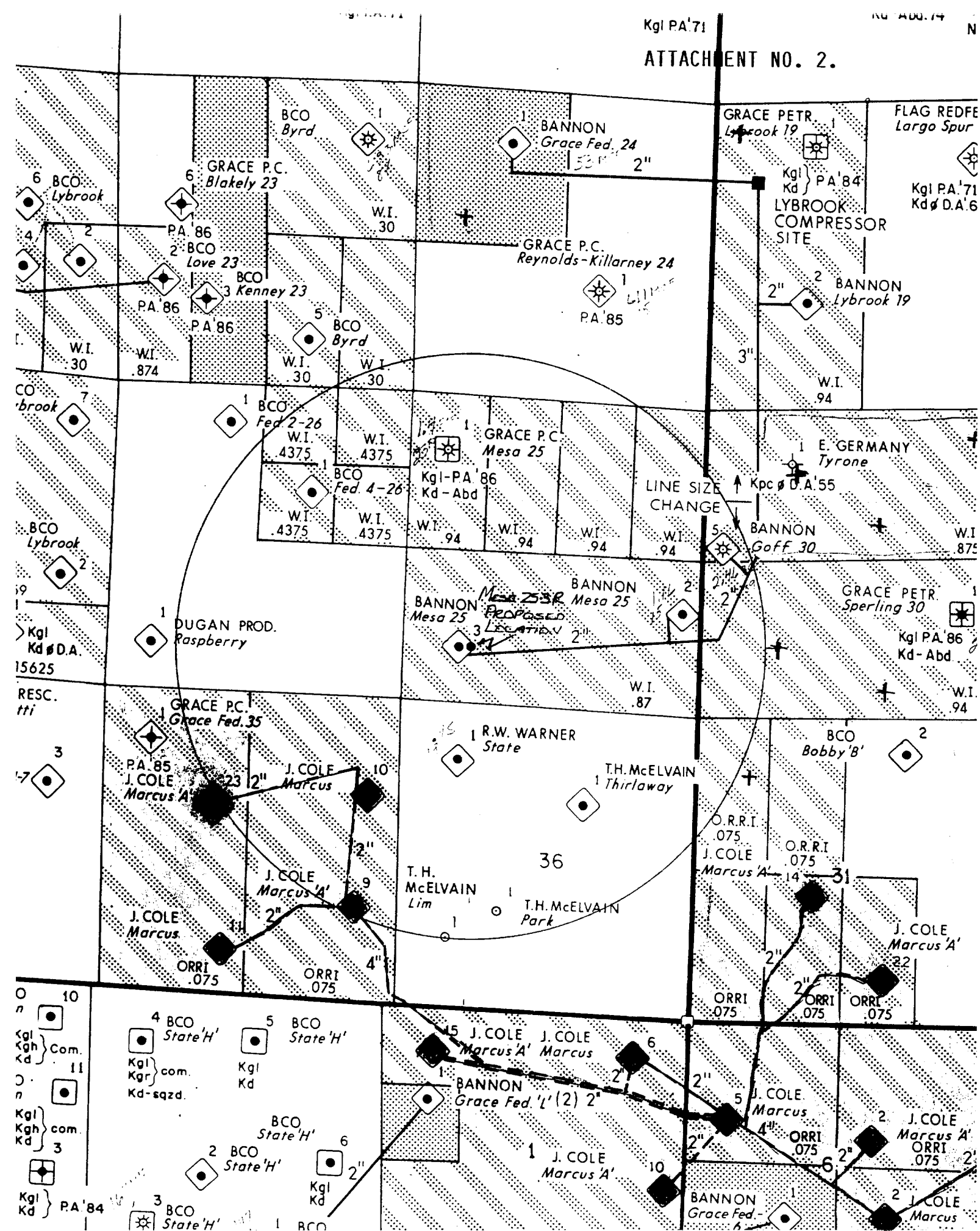


Figure 2

Kgl PA 71



PS Form 3800, June 1985

Sent to I. H. MCELVAIN	
Street and No.	
P.O. State and ZIP Code P.O. BOX 2148, SANTA FE, N.M. 87504	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing Date and Address of Delivery	
TOTAL Postage and Fees	
Postmark or Date	

P 718 635 394  
RECEIPT FOR CERTIFIED MAIL  
NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

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DEC 27 1988  
OIL CON. DIV.  
DIST. 2

Sent to Dugan Production Corp.	
Street and No.	
P.O. State and ZIP Code PO Box 208 Farmington NM 87499	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing Date and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	

PS Form 3800, June 1985

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Sent to R.W. Warner	
Street and No.	
P.O. State and ZIP Code PO Box 980 Buffalo MO 65622	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing Date and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	

PS Form 3800, June 1985

P 718 635 399  
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Sent to BCO INC.	
Street and No. 135 GRANT AVE.	
P.O. State and ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing Date and Address of Delivery	
TOTAL Postage and Fees	
Postmark or Date	

PS Form 3800, June 1985

P 718 635 397  
RECEIPT FOR CERTIFIED MAIL  
NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

Sent to Cole Production	
Street and No.	
P.O. State and ZIP Code PO Box 191 Farmington NM 87499	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing Date and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	

PS Form 3800, June 1985

P 718 635 398  
RECEIPT FOR CERTIFIED MAIL  
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