

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL  
WELL ☒

GAS  
WELL ☐

OTHER

SINGLE  
ZONE ☐

MULTIPLE  
ZONE ☐

2. NAME OF OPERATOR

Bannon Energy, Inc., C/O Daggett & Chenault, Inc.

3. ADDRESS OF OPERATOR

3935 E. 30th, Ste. 7B, Farmington, NM 87401

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

At surface  
SE/4, NE/4, Sec. 25, T24N, R8W

At proposed prod. zone 2085' FNL; 384' FEL

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

Approx 6 miles from Escondido Trading Post

15. DISTANCE FROM PROPOSED\*

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

16. NO. OF ACRES IN LEASE

1080'

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

40

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 DF, RT, GR, etc.)

6902' BL

September 1, 1990

23. 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

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 for 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.

SIGNED

Robert A. Chenault

TITLE Agent, Bannon Energy

DATE 7/26/90

(This space for use by state or licensee)

PERMIT NO.

AUG 3 1990

APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL

OIL CON. DIV.  
DIST. 3

TITLE

NMOCO

\*See Instructions On Reverse Side

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 any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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

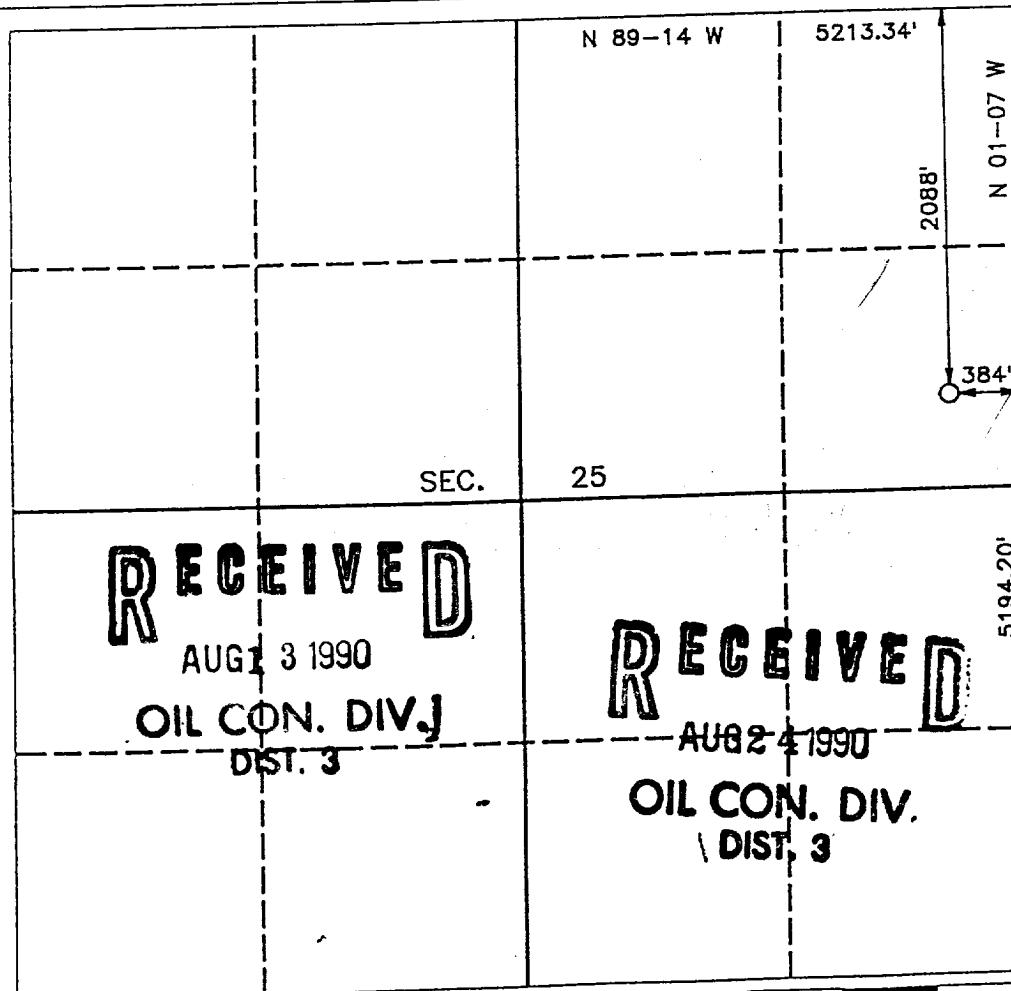
DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator <b>BANNON ENERGY, INC.</b>		Lease <b>SOUTH BLANCO FED. UNIT</b>		Well No. <b>25-10</b>
Unit Letter <b>H</b>	Section <b>25</b>	Township <b>T.24 N.</b>	Range <b>R.8 W.</b>	County <b>SAN JUAN COUNTY</b>
Actual Footage Location of Well: <b>2088</b> feet from the <b>NORTH</b> line and <b>384</b> feet from the <b>EAST</b> line				
Ground level Elev. <b>6902</b>	Producing Formation	Pool	Dedicated Acreage: 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 *R.A. Chabaud*

Printed Name **R.A. Chabaud**  
Position **Vice Pres.-Operation**  
Company **Bannon Energy Inc.**  
Date **8-21-90**

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 **AUG 13, 1990**  
Signature of Professional Surveyor *HOWARD DAGGETT*  
Certificate No. **9670**  
Registered Professional Land Surveyor

