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State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-104  
Revised 1-1-89  
See Instructions  
at Bottom of Page

RECEIVED  
NOV 5 1990  
OIL CON. DIV.  
DIST. 3

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

3022/W

REQUEST FOR ALLOWABLE AND AUTHORIZATION  
TO TRANSPORT OIL AND NATURAL GAS

|                                                                                         |                                         |                                     |
|-----------------------------------------------------------------------------------------|-----------------------------------------|-------------------------------------|
| Operator<br><b>Bannon Energy Incorporated</b>                                           |                                         | Well API No.<br><b>30-045-28164</b> |
| Address<br><b>3934 F.M. 1960 West, Suite 240, Houston, Texas 77068</b>                  |                                         |                                     |
| Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain) |                                         |                                     |
| New Well <input checked="" type="checkbox"/>                                            | Change in Transporter of:               |                                     |
| Recompletion <input type="checkbox"/>                                                   | Oil <input type="checkbox"/>            | Dry Gas <input type="checkbox"/>    |
| Change in Operator <input type="checkbox"/>                                             | Casinghead Gas <input type="checkbox"/> | Condensate <input type="checkbox"/> |
| If change of operator give name and address of previous operator                        |                                         |                                     |

II. DESCRIPTION OF WELL AND LEASE

|                                                                                                                  |                       |                                                         |                                               |                              |
|------------------------------------------------------------------------------------------------------------------|-----------------------|---------------------------------------------------------|-----------------------------------------------|------------------------------|
| Lease Name<br><b>S. Blanco Fed. <del>Unit</del> + 25</b>                                                         | Well No.<br><b>10</b> | Pool Name, Including Formation<br><b>lybrook Gallup</b> | Kind of Lease<br>State, <u>Federal</u> or Fee | Lease No.<br><b>NM-12233</b> |
| Location                                                                                                         |                       |                                                         |                                               |                              |
| Unit Letter <b>H</b> : <b>2088</b> Feet From The <b>North</b> Line and <b>384</b> Feet From The <b>East</b> Line |                       |                                                         |                                               |                              |
| Section <b>25</b> Township <b>24N</b> Range <b>8W</b> , <b>NMPM</b> , <b>San Juan</b> County                     |                       |                                                         |                                               |                              |

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

|                                                                                                                          |                                                                          |
|--------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|
| Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/>         | Address (Give address to which approved copy of this form is to be sent) |
| <b>Giant Refining Company</b>                                                                                            | <b>P.O. Box 9156, Phoenix, AZ 85068</b>                                  |
| Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> | Address (Give address to which approved copy of this form is to be sent) |
| <b>Bannon Energy Incorporated</b>                                                                                        | <b>3934 F.M.1960W, Ste.240, Houston, TX 77068</b>                        |
| If well produces oil or liquids, give location of tanks.                                                                 | Unit   Sec.   Twp.   Rge.   Is gas actually connected?   When?           |
|                                                                                                                          | <b>K   25   24N   8W   YES</b>                                           |

If this production is commingled with that from any other lease or pool, give commingling order number:

IV. COMPLETION DATA

|                                                      |                                               |                                |                                              |              |        |           |            |            |
|------------------------------------------------------|-----------------------------------------------|--------------------------------|----------------------------------------------|--------------|--------|-----------|------------|------------|
| Designate Type of Completion - (X)                   | Oil Well <input checked="" type="checkbox"/>  | Gas Well                       | New Well <input checked="" type="checkbox"/> | Workover     | Deepen | Plug Back | Same Res'v | Diff Res'v |
| Date Spudded<br><b>9/30/90</b>                       | Date Compl. Ready to Prod.<br><b>10/25/90</b> | Total Depth<br><b>5845</b>     | P.B.T.D.<br><b>5754</b>                      |              |        |           |            |            |
| Elevations (DF, RKB, RT, GR, etc.)<br><b>6902 GR</b> | Name of Producing Formation<br><b>Gallup</b>  | Top Oil/Gas Pay<br><b>5479</b> | Tubing Depth<br><b>5645</b>                  |              |        |           |            |            |
| Perforations<br><b>5479-5703</b>                     |                                               |                                | Depth Casing Shoe<br><b>5822</b>             |              |        |           |            |            |
| TUBING, CASING AND CEMENTING RECORD                  |                                               |                                |                                              |              |        |           |            |            |
| HOLE SIZE                                            | CASING & TUBING SIZE                          | DEPTH SET                      |                                              | SACKS CEMENT |        |           |            |            |
| <b>12 1/4</b>                                        | <b>8 5/8</b>                                  | <b>312</b>                     |                                              | <b>250</b>   |        |           |            |            |
| <b>6 1/2</b>                                         | <b>4 1/2</b>                                  | <b>5822</b>                    |                                              | <b>500</b>   |        |           |            |            |
| <b>N/A</b>                                           | <b>2 3/8</b>                                  | <b>5645</b>                    |                                              | <b>N/A</b>   |        |           |            |            |

V. TEST DATA AND REQUEST FOR ALLOWABLE

|                                                                                                                                                         |                                 |                                                                 |                          |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|-----------------------------------------------------------------|--------------------------|
| OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.) |                                 |                                                                 |                          |
| Date First New Oil Run To Tank<br><b>10/25/90</b>                                                                                                       | Date of Test<br><b>10/25/90</b> | Producing Method (Flow, pump, gas lift, etc.)<br><b>Pumping</b> |                          |
| Length of Test<br><b>24 hours</b>                                                                                                                       | Tubing Pressure<br><b>200</b>   | Casing Pressure<br><b>300</b>                                   | Choke Size<br><b>N/A</b> |
| Actual Prod. During Test                                                                                                                                | Oil - Bbls.<br><b>60</b>        | Water - Bbls.<br><b>4</b>                                       | Gas - MCF<br><b>100</b>  |
| GAS WELL                                                                                                                                                |                                 |                                                                 |                          |
| Actual Prod. Test - MCF/D                                                                                                                               | Length of Test                  | Bbls. Condensate/MMCF                                           | Gravity of Condensate    |
| Testing Method (pilot, back pr.)                                                                                                                        | Tubing Pressure (Shut in)       | Casing Pressure (Shut in)                                       | Choke Size               |

VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

*B. A. Chabaud*  
Signature  
**B.A. Chabaud - V.P. Operations**  
Printed Name  
**October 30, 1990**  
Date  
**(713)537-9000**  
Telephone No.

OIL CONSERVATION DIVISION

Date Approved **NOV 06 1990**  
By **Original Signed by CHARLES GHOLSON**  
Title **DEPUTY OIL & GAS INSPECTOR, DIST. #3**

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.