

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

reverse side)

Expires August 31, 1985

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
Section 25, T24N, R8W/359' FNL x 1639' FWL, Unit C
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approximately 6 miles NW of Lybrook

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 1063'

16. NO. OF ACRES IN LEASE 1080 acres

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. 1000'

19. PROPOSED DEPTH 5800'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6871 GL
This action is subject to technical and proposed review pursuant to 43 CFR 3105.3 and appeal pursuant to 43 CFR 3105.4

22. APPROX. DATE WORK WILL START* October 1, 1990

23. PROPOSED CASING AND CEMENTING PROGRAM

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'

QUANTITY OF CEMENT ATTACHED
"GENERAL REQUIREMENTS"
Cement to Surface
800 sx-volume to be calculated subsequent to logging and circulated to surface.

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 of APD
"E" Site Specific Checklist for Roads
"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 Al Haband TITLE Vice President - Operations DATE 9-14-90

(This space for signature and name)

PERMIT NO. RECEIVED APPROVAL DATE OCT 1 1990

APPROVED BY CSB TITLE OIL CON. DIV. DATE DIST. 3

CONDITIONS OF APPROVAL, IF ANY:

*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

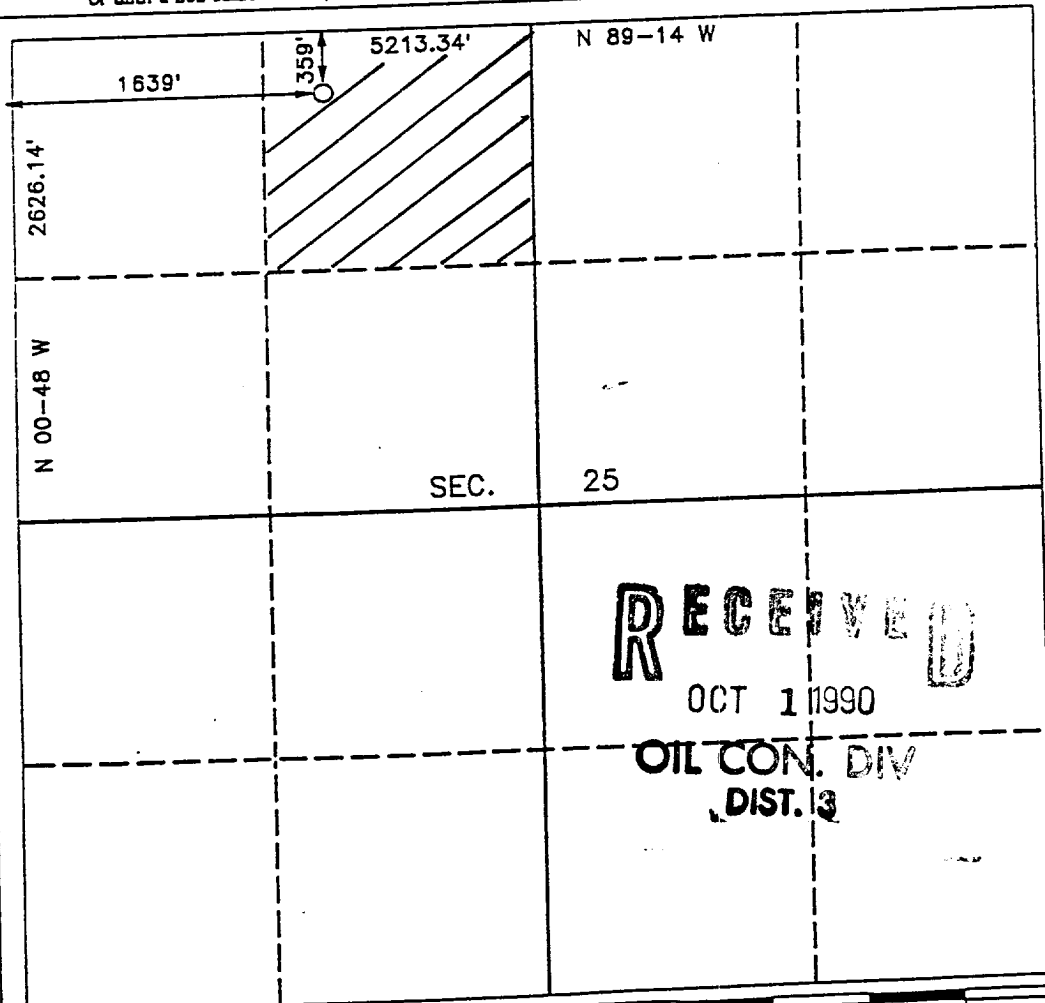
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator BANNON ENERGY, INC.		Lease SOUTH BLANCO FED. UNIT 25-8		Well No. 25-8
Unit Letter C	Section 25	Township 1.24 N.	Range R.8 W.	County SAN JUAN COUNTY
Actual Footage Location of Well: 359 feet from the NORTH line and 1639 feet from the WEST line				
Ground level Elev. 6871	Producing Formation Gallup		Pool Lybrook EXT	Dedicated Acreage: 40 Acres

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 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

Printed Name

Position

Company

Date

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

Signature of State of New Mexico Professional Surveyor

Certificate No.

9679

Registered Professional

Land Surveyor