Form 3160-3 (No - mbe - 1283)

Form approved. SUBMIT IN TRIPLICATE. Budget Bureau No. 1004-0136 (Other instructions on reverse side) Expires August 31, 1985 UNITED STATES (formerly 331C) DEPARTMENT OF THE INTERIOR 5. LEASE DESIGNATION AND SERIAL NO. SF078362078359 BUREAU OF LAND MANAGEMENT 6. IF INDIAN, ALLOTTEE OR TRIBE NAME APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK 7. UNIT AGREEMENT NAME 23 Ja −PLUG BACK □ 1a. TYPE OF WORK DRILL 🖾 b. TIPE OF WELL ZONE X S. FARM OR LEASE NAME SINGLE: WELL X OTHER McBee 2. NAME OF OPERATOR 9 WELL NO. Bannon Energy, Inc. 3. ADDRESS OF OPERATOR 40. FIELD AND POOL, OR WILDCAT P.O. Box 2058, Farmington NM 87499 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) Lybrook Gallup 11. SEC., T., E., M., OR BLK. AND SURVEY OR AREA At surface 625' FSL, 440' FWL At proposed prod. zone Sec. 7, T23N R6W same 12. COUNTY OR PARISE | 13. STATE 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Rio Arriba N.M. 3½ miles NW from Counselors Trading Post

10. DISTANCE FROM PROPOSED®
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any) 17. NO. OF ACRES ASSIGNED 16. NO. OF ACRES IN LEASE TO THIS WELL 40-68 2557.2461.69 20. ROTART OR CABLE TOOLS 19. PROPOSED DEPTH 18. DISTANCE FROM PROPOSED LOCATION® TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. Rotary 5800' 22. APPROX. DATE WORK WILL STARTO 21. ELEVATIONS (Show whether DF. RT. GR. etc.) SUBJECT TO COMPLEXICE WITH ATTACHED October 1, 1989 7007' GR PROPOSED CASING AND CEMENTING PROGRAM procedural review persucat to 12 CFF 3185.3 23. and appeal pursuant to 43 C 43 CFR 3185 4 SETTING DEPTH WEIGHT PER FOOT SIZE OF CABING SIZE OF HOLE Cement to Surface 300' 5/8" lb.J-55 1/4" 24.0 800 sx - volumes to be 5000 1b.K-55 /2 " palculated subsequent to 7/8" OCT 2 6 1989 OIL CON. DI Well to be drilled to penetrate the Gallup Tornation. All producing intervals in the Gallup will be stimulated as necessary. EXHIBITS: Site specific checklist Location and Elevation Plat " A " for roads Ten point compliance program t

"C" Blowout preventor diagram "D" Multi-point requirements of A: The gas from this lease is committed to the proposal is to drill or deepen directionally, give pertinent data preventer program. If any.	"F" Drill rig layout PD "G" Completion program layou ed. "H" Location Profile r plug back, give data on present productive some and proposed new productive a on subsurface locations and measured and true vertical depths. Give blowout
SIGNED WHOLEOFF TITLE A	Agent for Bannon Energy Inc. 7/25/89
(This space for Federal or State office use)	APPROVAL DATE AS AMENDED
APPROVED BY TITLE CONDITIONS UP APPROVAL, IF ANY :	PAREA MANAGER
(G) *See Instruction	ons On Reverse Side

P. O. BOX 2088 Form C-102 NEW MEXICO SANTA FE, NEW MEXICO 37501 MINERALS DEPARTMENT All distances must be from the outer boundaries of the Section. Well No. Lucse Bannon Energy, Inc. McBeeCounty Township Unil Letter Rio Arriba County R-6-W 7 T-23-N M Actual Fastage Location of Wellt 625 South lest from the line and Ground Level Elev. Producing Formation 7007.2 ft. Lybrook Gallup 1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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? If answer is "yes," type of consolidation _ Yes If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of 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 con-Operating Bannon Energy, Inc. July 21, 1989 SEC I hereby certify that the well location on this plat was platted from field W,00°10.

> Centilicanoinieres Prefessional NM #9679

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