



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

GARREY CARRUTHERS
GOVERNOR

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

Date: 9-26-87

Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

Re: Proposed MC _____
Proposed DHC _____
Proposed NSL X _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated 9-18-87
for the BANNER ENERGY INC. LYBBER 19-212
Operator Lease & Well No.

K-19-212-612 and my recommendations are as follows:
Unit, S-T-R

Approved

NSL-2701

Yours truly,

E. J. Buel

BANNON ENERGY INCORPORATED

3934 F.M. 1960 West, Suite 240
Houston, Texas 77068
(713) 537-9000
FAX (713) 537-8624

August 16, 1989

Mr. Mike Stodner
Energy and Minerals Dept.
Oil Conservation Division
310 Old Santa Fe Trail, Room 108
Santa Fe, New Mexico 87503

RECEIVED
SEP 18 1989
OIL CON.
DIST.

RE: Approval of Non Standard Location - *Lybrook 19-2R*
2157' RS to 2094' VWL
Sec. 19, T44N, R5W, Devils Fork Gallop Fl.,
Rio Arriba County, New Mexico

Dear Mr. Stodner:

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 Lybrook 19-2 which was drilled and plugged and will be abandoned concurrently with the drilling and completion of the referenced well.

The archaeological survey was conducted on June 8, 1989. The survey was conducted at the above referenced location. We request your approval of a location extension based on the following:

The Division of Conservation Archaeology at the San Juan County Museum Association conducted an archaeological survey of the location area. One site was located during the survey along the eastern edge of the cultural buffer zone on the southeast side of the proposed Lybrook 19-2R well pad. The report no. 1678 **ATTACHMENT NO. 1** recommended clearance for the proposed well pad and access road/pipeline.

Bannon operates the west offset well, (Lybrook 19-2) to be plugged, which is located to the southwest approximately 200 feet of the proposed well. Since the Devils Fork Gallop zone is spaced up 120' there are no offset drainage problems will exist.

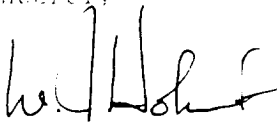
Mr. Mike Stogner
RE: Lehigh 19-2R Non-Standard Location

August 16, 1989
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 their 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: ck

Attachments

cc: Ernie Busch
NMOCD - Aztec, New Mexico

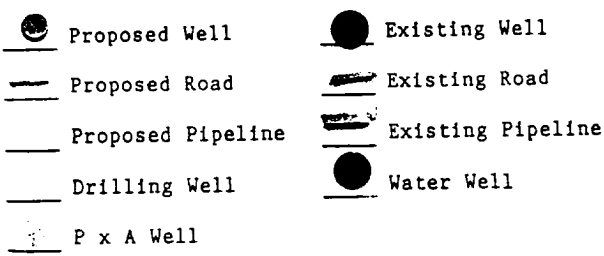
ABSTRACT

On June 28, 1989, the Division of Conservation Archaeology of the San Juan County Museum Association completed an archaeological survey of proposed well pad Lybrook 19-2R and access road/pipeline for Bannon Energy, Inc. The survey area is located northeast of Lybrook, Rio Arriba County, New Mexico and is under the jurisdiction of the Navajo Nation with a fee surface and with minerals under the jurisdiction of the Bureau of Land Management. Approximately 5.74 acres were intensively inventoried.

One site, DCA-89-365, was located during survey of the project area. The site is a Navajo Dinetah lithic and ceramic scatter located along the eastern edge of the cultural buffer zone on the southeast side of the proposed Lybrook 19-2R well pad.

Archaeological clearance is recommended for the proposed Lybrook 19-2R well pad and access road/pipeline.

ATTACHMENT TO EXHIBIT "E"



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT **38-039-24558**

SUBMIT IN TRIPLICATE
(Other instructions
verse side)

Budget Bureau No. 1004-0135
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. SF-078562
2. NAME OF OPERATOR Bannon Energy, Incorporated		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR c/o Holcomb Oil & Gas, Inc PO Box 2058 Farmington NM		7. UNIT AGREEMENT NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface Unit K; 2122' FSL and 1707' FWL		8. FARM OR LEASE NAME Lybrook 19
14. PERMIT NO.		9. WELL NO. 2R
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 6979' GR		10. FIELD AND POOL, OR WILDCAT Devils Fork-Gallup
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 19 T24N R6W
		12. COUNTY OR PARISH Rio Arriba
		13. STATE NM

16. **Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data**

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON*

CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

REPAIRING WELL

ALTERING CASING

ABANDONMENT*

Set Surface Casing

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. **DESCRIBE PROPOSED OR COMPLETED OPERATIONS:** (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

1. Spud 12 1/4" surface hole on 10-20-89.
2. Ran 7 joints 8 5/8" 24# at 301'.
3. Cement with 190 sx. Class "B" cement and 1/4# cello seal, circulate 70 sx., cement to surface.

OIL CON. DIV.
DIST. 3

18. I hereby certify that the foregoing is true and correct

W.J. Holcomb

SIGNED W. J. Holcomb

TITLE **Agent for Bannon Energy**

DATE **10-30-89**

(This space for Federal or State office use)

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

ACCEPTED FOR RECORD

DATE

NOV 01 1989

*See Instructions on Reverse Side

FARMINGTON RESOURCE AREA

BY

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.