

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 Holcomb Oil & Gas

3. ADDRESS OF OPERATOR

P.O. Box 2058, Farmington, NM 87499

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

At surface

Unit L 2020' FSL x 660' FWL

At proposed prod. zone

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

4.5 miles NW of Lybrook

15. DISTANCE FROM PROPOSED\*

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

18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

16. NO. OF ACRES IN LEASE

81.40

19. PROPOSED DEPTH

5800'

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

40.26

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

6994' GR

22. APPROX. DATE WORK WILL START\*

June 1, 1990

This action is subject to technical and  
procedural review pursuant to 43 CFR 3165.3  
and approval pursuant to 43 CFR 3165.3

PROPOSED CASING AND CEMENTING PROGRAM

DRILLING OPERATIONS AUTHORIZED ARE  
SUBJECT TO COMPLIANCE WITH ATTACHED  
"GENERAL REQUIREMENTS"

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH |   |
|--------------|----------------|-----------------|---------------|---|
| 12 1/4"      | 8 5/8"         | 24.0 lb. J-55   | 300'          | Cement to surface   |
| 7 7/8"       | 4 1/2"         | 11.6 Lb. K-55   | 5800'         | 800 sx-volume to be calculated<br>subsequent to logging & circulated<br>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  
(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. W. J. Holcomb

SIGNED

Agent, Bannon Energy

TITLE

(This space for Federal or State comments)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

RECEIVED

SEP 24 1990

OIL CON. DIV.  
DIST. 3

NMOCD

\*See Instructions On Reverse Side

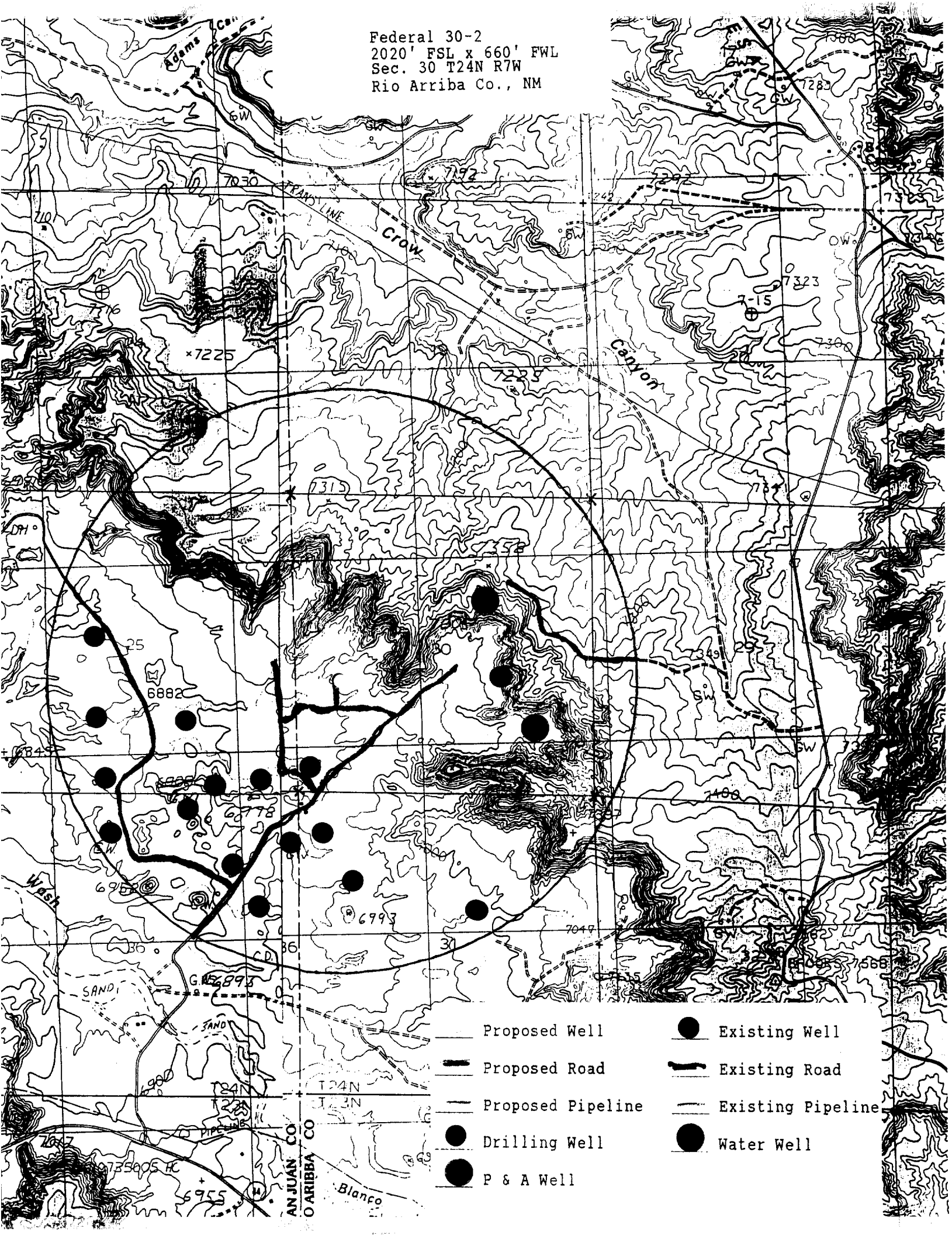
APPROVED 4-30-90

AS AMENDED

SEP 18 1990

AREA MANAGER

Federal 30-2  
 2020' FSL x 660' FWL  
 Sec. 30 T24N R7W  
 Rio Arriba Co., NM



- |                     |                     |
|---------------------|---------------------|
| —●— Proposed Well   | ● Existing Well     |
| — Proposed Road     | — Existing Road     |
| — Proposed Pipeline | — Existing Pipeline |
| ● Drilling Well     | ● Water Well        |
| ● P & A Well        |                     |



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

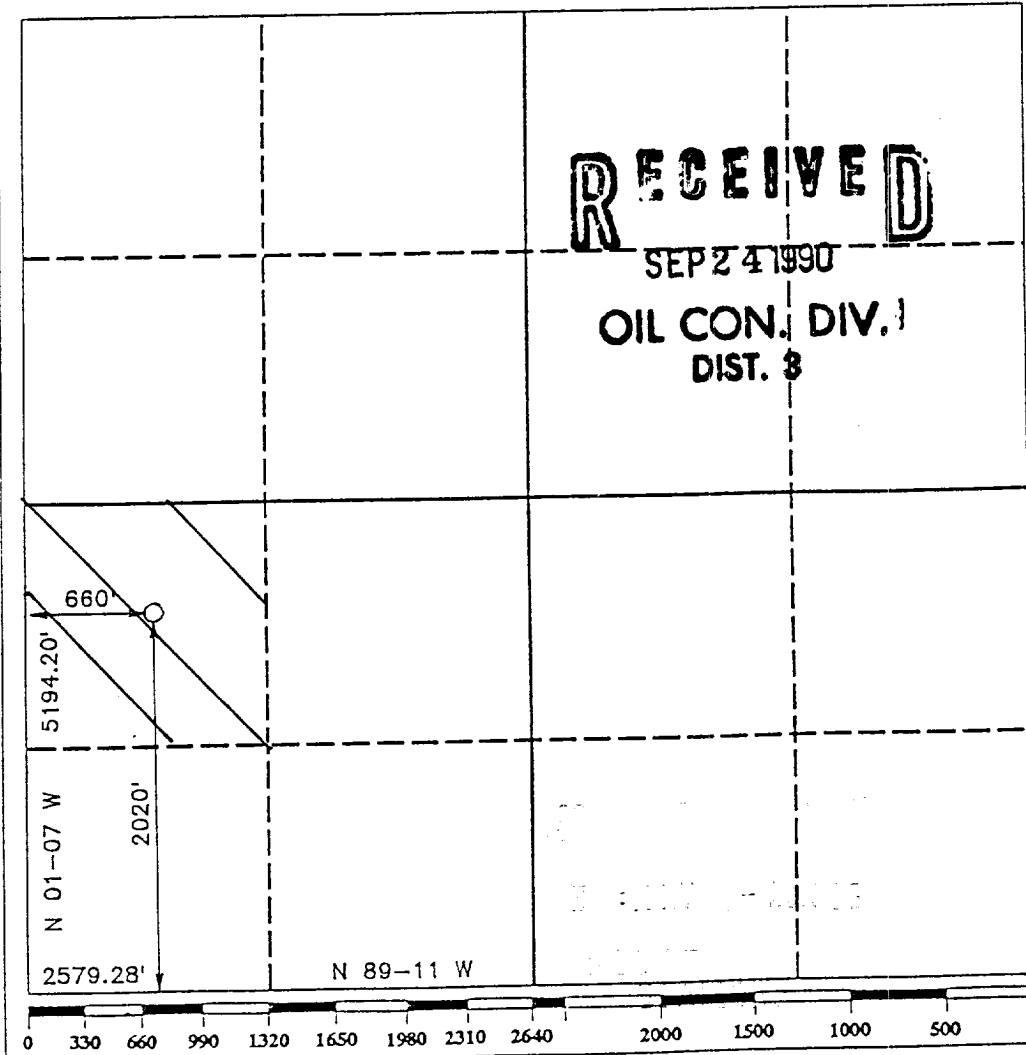
DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

|   |                                      |                            |                               |                                    |  |
|---|--------------------------------------|----------------------------|-------------------------------|------------------------------------|--|
| Operator<br><b>BANNON ENERGY, INC.</b>  |                                      |                            | Lease<br><b>FEDERAL 30</b>    |                                    | Well No.<br><b>2</b>                     |
| Unit Letter<br><b>L</b>   | Section<br><b>30</b>                 | Township<br><b>T.24 N.</b> | Range<br><b>R.7 W.</b>        | County<br><b>RIO ARriba COUNTY</b> |  |
| Actual Footage Location of Well:<br><b>2020</b> feet from the <b>SOUTH</b> line and <b>660</b> feet from the <b>WEST</b> line |                                      |                            |                               |                                    |  |
| Ground level Elev.<br><b>6994</b>   | Producing Formation<br><b>Gallup</b> |                            | Pool<br><b>Lybrook Gallup</b> |                                    | Dedicated Acreage:<br><b>40.26 Acres</b> |

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 *W. J. Holcomb*  
Printed Name **W. J. Holcomb**  
Position **Agent**  
Company **Bannon Energy, Inc.**  
Date **4-30-90**

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 **FEBRUARY 26, 1990**  
Signature & Seal of Professional Surveyor  
**R. HOWARD DAGGETT**  
Certificate No. **9679**  
Registered Professional Land Surveyor