

SUBMIT IN TRIPLICATE\*

30-059-2-1011  
FORM APPROVED

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

Budget Bureau No. 1004-0136  
Expires August 31, 1985

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL  
SF-078534

1a. TYPE OF WORK  
 DRILL  DEEPEN  PLUG BACK   
 b. TYPE OF WELL  
 OIL GAS SINGLE MULTIPLE  
 WELL  WELL  OTHER ZONE  ZONE

6. IF INDIAN, ALLOTTEE OR TRIBE N

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
MESA 25

2. Name of Operator  
BANNON ENERGY INC., C/O DAGGETT & CHENAULT, INC.

9. WELL NO.  
7

3. ADDRESS OF OPERATOR  
3539 E. 30TH STE. 7B, FARMINGTON, NM 87401

10. FIELD AND POOL, OR WILDCAT  
ESCRITO/GALLUP

4. LOCATION OF WELL (Report location clearly and in accordance with any State Requirements. \*)  
 At surface UNIT E, 1907' FNL, 790' FWL, SEC.25, T24N-R7W  
 At proposed prod. zone SAME AS ABOVE

11. SEC., T., R., M., OR BLK.  
UNIT E, SEC.25, T24N-R7W

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
APPROXIMATELY 4 MILES NORTHEAST OF ESCRITO TRADING POST

12. COUNTY OR PARISH RIO ARRIBA  
13. STATE NM

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE FT.  
(Also to nearest drlg. unit line, if any) 790'

16. NO. OF ACRES IN LEASE  
1202.88

17. NO. OF ACRES ASSIGNED TO THIS WELL  
S/80

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT 2575'

19. PROPOSED DEPTH  
5800'

20. ROTARY OR CABLE TOOLS  
ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.) is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.  
6740' GR

22. APPROX. DATE WORK WILL START  
SEPTEMBER 1, 1991

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
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
				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.

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

EXHIBITS:

- "A" Location and Elevation Plat
- "B" Ten Point Drilling Program
- "C" Blowout Preventer 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.

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OIL CON. DIV.  
DIST. 3

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present production zone and proposed 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 R. Alhabaud TITLE V.P. OPERATIONS DATE 8/14/91

(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE

APPROVED BY oak TITLE NMOOD DATE 8/11/1991  
 CONDITIONS OF APPROVAL, IF ANY: oak AREA MANAGER

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

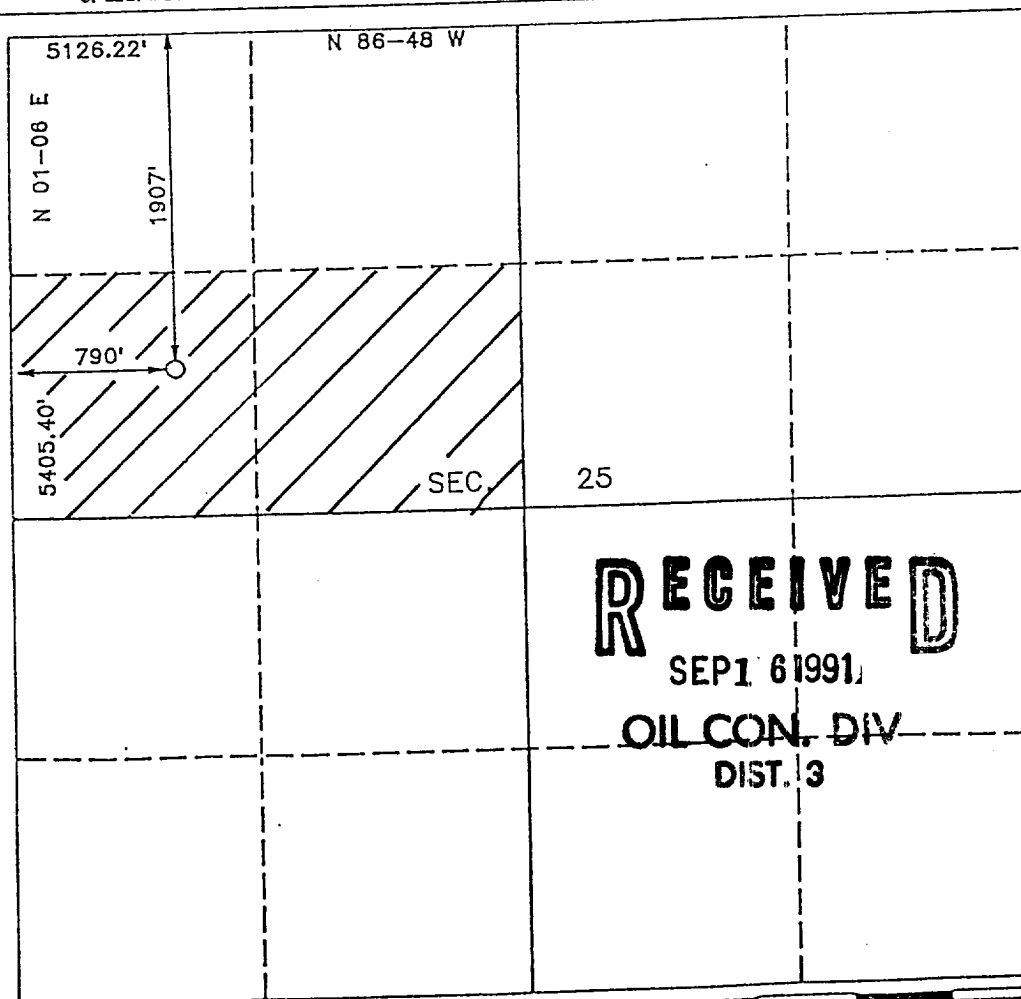
Operator <b>BANNON ENERGY, INC.</b>		Lease <b>MESA 25</b>		Well No. <b>7</b>
Unit Letter <b>E</b>	Section <b>25</b>	Township <b>T.24 N.</b>	Range <b>R.7 W.</b>	County <b>RIO ARRIBA COUNTY</b>
Actual Footage Location of Well: <b>1907</b> feet from the <b>NORTH</b> line and <b>790</b> feet from the <b>WEST</b> line				
Ground Level Elev. <b>6740</b>	Producing Formation <b>Gallup</b>	Pool <b>Escrito/Gallup</b>	Dedicated Acreage: <b>80</b> Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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.



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 DIST. 3

**OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *R.A. Chabaud*

Printed Name: **R. A. Chabaud**

Position: **V. P. Operations**

Company: **Bannon Energy Inc.**

Date: \_\_\_\_\_

**SURVEYOR CERTIFICATION**

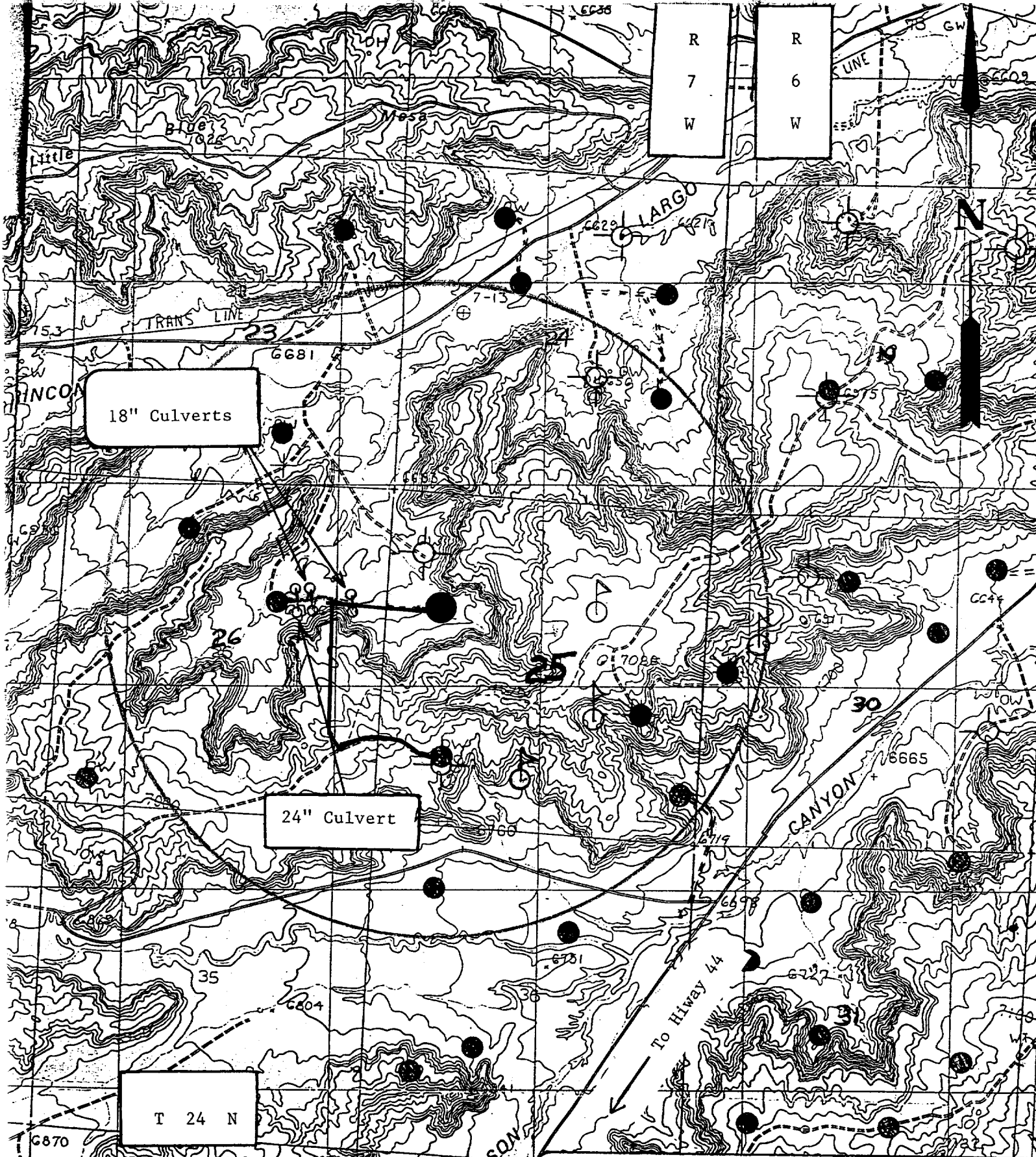
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: **JULY 26, 1991**

Signature & Seal of Professional Surveyor:  
**HENRY P. BRODHURST, JR.**

NEW MEXICO  
 REGISTERED PROFESSIONAL SURVEYOR  
 License No. **11393**

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0



R  
7  
W

R  
6  
W

18" Culverts

24" Culvert

T 24 N

BANNON ENERGY  
 MESA 25-7  
 1907' FNL, 790' FWL  
 SEC. 25, T24N-R7W  
 RIO ARRIBA COUNTY, NM

- Staked Location
- Proposed New Well
- Producing Wells
- Plugged or Abandoned Wells
- Proposed Pipeline
- Drilling Well
- Water Wells
- Reservoirs
- Existing Road
- Proposed New Access Road