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Appropriate District Office
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P.O. Box 1980, Hobbs, NM 88240

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

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-104
Revised 1-1-89
See Instructions
at Bottom of Page

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

Operator BANNON ENERGY INCORPORATED	Well API No. 30 039 25107
Address 3934 FM 1960 WEST, STE 240, HOUSTON, TX 77068	
Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain)	
New Well <input checked="" type="checkbox"/>	Change in Transporter of: Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/> Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>
Recompletion <input type="checkbox"/>	
Change in Operator <input type="checkbox"/>	
If change of operator give name and address of previous operator	

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JAN 22 1993
OIL CON. DIV.
DIST. I

II. DESCRIPTION OF WELL AND LEASE

Lease Name Mesa 25	Well No. 7	Pool Name, Including Formation Escrito Gallup	Kind of Lease Fed State, Federal or Fee	Lease No. SF-078534
Location Unit Letter E : 1907 Feet From The North Line and 790 Feet From The West Line Section 25 Township 24N Range 7W, NMPM, Rio Arriba County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/> Giant Refining Company	Address (Give address to which approved copy of this form is to be sent) P O Box 256, Farmington, NM 87499					
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> Bannon Energy Incorporated	Address (Give address to which approved copy of this form is to be sent) 3934 FM 1960 WEST, STE 240, HOUSTON, TX 77068					
If well produces oil or liquids, give location of tanks.	Unit E	Sec. 25	Twp. 24N	Rge. 7W	Is gas actually connected? yes	When? 11-5-92

If this production is commingled with that from any other lease or pool, give commingling order number:

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well X	Gas Well	New Well X	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
Date Spudded 10-29-92	Date Compl. Ready to Prod. 11-23-92		Total Depth 5650		P.B.T.D. 5600			
Elevations (DF, RKB, RT, GR, etc.) 6740GR	Name of Producing Formation Gallup		Top Oil/Gas Pay 5460		Tubing Depth 5452			
Perforations 5460 - 5480					Depth Casing Shoe 5646			
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET		SACKS CEMENT			
12 1/4"	8 5/8" 24.0 lb		355		240 sxs 285 ft ³			
7 7/8"	4 1/2" 10.50 & 11.60		5646		1075 sxs 2583 ft ³			
	2 3/8"		5452					

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.)

Date First New Oil Run To Tank 11-23-92	Date of Test 11-24-92	Producing Method (Flow, pump, gas lift, etc.) gas lift	
Length of Test 24 hrs	Tubing Pressure 24	Casing Pressure 140	Choke Size 48/64
Actual Prod. During Test	Oil - Bbls. 3	Water - Bbls. 3	Gas - MCF 160

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pilot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature
Andrew S. Low, Operations Manager
Printed Name
1-18-93 (713) 537-9000
Date Telephone No.

OIL CONSERVATION DIVISION

Date Approved JAN 22 1993

By [Signature]
Title SUPERVISOR DISTRICT #3

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.