

FAX TRANSMITTAL SHEET

Date: 15:55

Time: 9-26-89

TO: Mike Stegner

FROM: FRANK BOSCH (505) 334-6170

Oil Conservation Division

1000 Rio Brazos Rd., Aztec, NM 87410

Case 9791

COMMENTS:

TOTAL NUMBER OF PAGES INCLUDING COVER SHEET 5

Attn: Frank Chavez

BANNON ENERGY INCORPORATED

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

RECEIVED

August 9, 1989

AUG 10 1989

OIL CONSERVATION DIV.
SANTA FE

Mr. Michael E. Stogner
Chief Hearing Officer/Engineer
Oil Conservation Division
Energy, Minerals and Natural Resources Department
P. O. Box 2088
Santa Fe NM 87504

Case 9791

Re: Contraction of Counselors Gallup-Dakota Pool and Lybrook-Gallup Pool, Extension of Escrito Gallup Associated Pool.

Dear Mr. Stogner:

Further to our letter dated May 16, 1989, and your reply dated May 26, 1989, and our recent telecon with Mark Weidler, we wish to proceed along the following lines.

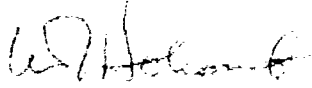
- 1) Since our prior correspondence, Jack A. Cole has drilled the Rincon No. 11 well in NE/4 SE/4 Sec. 31, T24N, R6W thereby extending the Escrito Gallup Associated Pool to a common boundary in the Counselor Gallup-Dakota Pool as shown on the attached Figure 1.
- 2) Bannon Energy Incorporated requests deletion from:
 - (a) Lybrook-Gallup Pool of SW/4 SE/4, E/2 SW/4, and SW/4 SW/4 Sec. 31, T24N, R6W, Rio Arriba Co., New Mexico.
 - (b) Counselor Gallup-Dakota Pool of NE/4 Sec. 6 and N/2 Sec. 5, T23N, R6W, Rio Arriba Co., New Mexico.
- 3) Bannon Energy Incorporated requests extension of the Escrito Gallup Associated Pool to include:
 - (a) All Sec. 31, T24N, R6W, Rio Arriba Co., New Mexico.
 - (b) NE/4 Sec. 6 and N/2 Sec. 5, T23N, R6W, Rio Arriba Co., New Mexico.

SEP 26 1989
OIL CON. DIV.
DET. 3

- 4) The proposed deletions and extensions would result in pool boundaries as shown on Figure 2.

You have advised that this may be considered at a forthcoming nomenclature meeting. Your assistance will be appreciated.

Very truly yours,



W. J. Holcomb
Agent for Bannon Energy Inc.

cc: OCD - Aztec
Merrion Oil & Gas, Farmington NM
SCRA, Denver CO
Mark E. Weidner, Farmington NM
BCO, Inc., Santa Fe NM
Dugan Oil and Gas, Farmington NM
T. H. McElvain, Santa Fe NM

ILLEGIBLE

To accompany pool boundary
changes proposed by Bannon
Energy Incorporated dated

FIG. 2

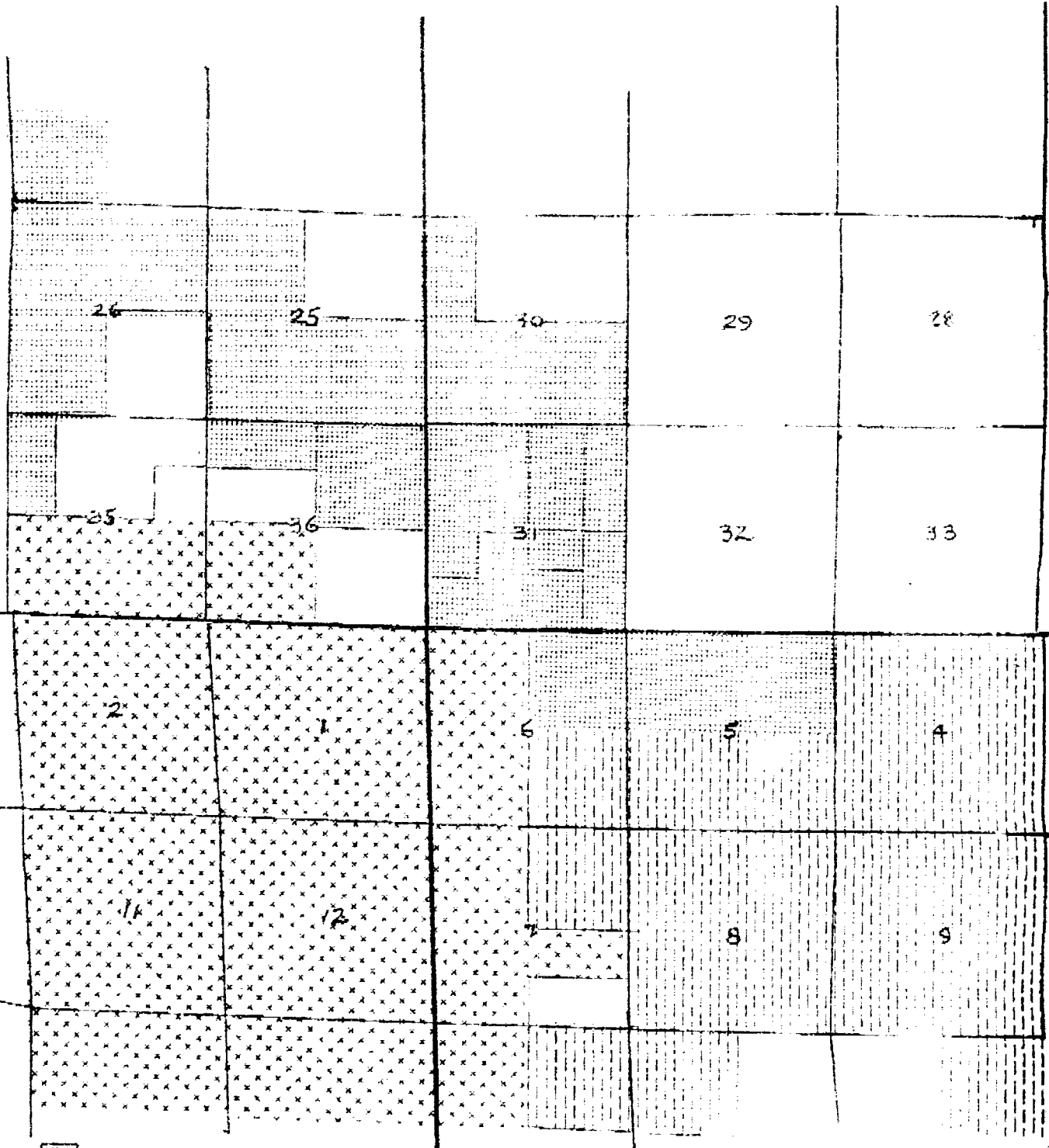
To accompany pool boundary
changes proposed by Bannon
Energy Incorporated dated _____

R.7W

R.6W

T24N

T23N



ESCRIBO GALLUP ASSOCIATED POOL



LYBROOK-GALLUP POOL



COUNSELOR GALLUP-PARKIA POOL

PROPOSED POOL BOUNDARIES