



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

ARREY CAPRUTHERS  
GOVERNOR

1000 OLD INAZOLES ROAD  
AZTEC, NEW MEXICO 87410  
(505) 334-0178

Date: 11-26-90

Oil Conservation Division  
P.O. Box 2000  
Santa Fe, NM 87504-2000

attn: Mr. Stagner

Re: Proposed HC \_\_\_\_\_  
Proposed DHC \_\_\_\_\_  
Proposed HSL X \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed PHX \_\_\_\_\_

Gentlemen:

I have examined the application dated 11-5-90  
for the Burns Energy Inc. Mesa 25# 2B  
Operator Lease & Well No.

1-25-240-75 and my recommendations are as follows:  
Unit, S-T-R

Archaeological Report

Yours truly,

Emil Barch

**A. R. KENDRICK**

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P.O. BOX 516 • AZTEC, NEW MEXICO 87410 • (505) 334-2555

December 12, 1990

Oil Conservation Division  
Box 2088  
Santa Fe, New Mexico 87504-2088

Re: Application for Non-Standard Location  
Bannon Energy, Inc.  
[REDACTED], 2416' FSL 287' FEL  
I-25-T24N-R7W  
Escrito Gallup Oil Pool  
Rio Arriba County

Gentlemen:

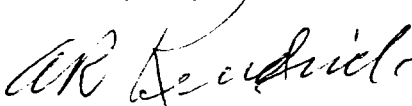
The subject application was mailed to you on November 2, 1990.

There are no offset operators.

In the absence of reply from your office, we assumed the application to be complete.

What further information do you need for approval of this application?

Yours very truly,



A. R. Kendrick

xc: Bannon Energy, Inc.

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

December 14, 1990

Bannon Energy, Inc.  
c/o A.R. Kendrick  
Box 516  
Aztec, NM 87410-0516

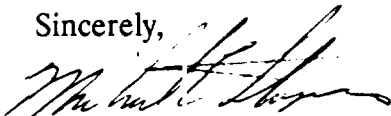
*RE: Application for a non-standard oil well location.  
Mesa 25 Well No. 2R; 2416' FSL - 287' FEL, I-25-  
T24N-R7W, Escrito Gallup Associated Pool, Rio  
Arriba County, New Mexico.*

Dear Mr. Kendrick:

Upon review of the subject filing, it would appear that since this well is a replacement well for the existing Mesa 25 Well No. 2, which I am assuming that it is, insufficient information was provided to show why this location could not be located at a standard oil well location in the NW/4 SE/4 of the section. Otherwise, it appears that this location is for geological advantage which would require a hearing pursuant to the pool rules for the Escrito Gallup Associated Pool as promulgated by Division Order No. R-5353, as amended.

Please contact me should you wish to set this matter for hearing.

Sincerely,



Michael E. Stogner  
Chief Hearing Officer/Engineer

MES/ag

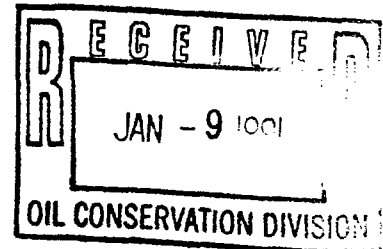
cc: Oil Conservation Division - Aztec  
US Bureau of Land Management - Farmington

**A. R. KENDRICK**

P.O. BOX 516 • AZTEC, NEW MEXICO 87410 • (505) 334-2555

January 7, 1991

Mr. Michael Stagner  
Oil Conservation Division  
Box 2088  
Santa Fe, New Mexico 87504-2088



Re: Application for Non-Standard Locations  
Bannon Energy, Inc.

16233

Dear Mr. Stagner:

The enclosed plat is of the area of the applications for Non-Standard Location applications filed in behalf of Bannon Energy for their Goff 30 #5R and Mesa 25 #2R wells. The well spots are approximate.

The spacing rules set out in Order R-5353 look good on paper, but they do not fit the actual situation on the ground in as far as topography and archaeological situations go.

Bannon Energy does not wish to spend the additional time or money to have these applications set for hearings.

If further information is needed, please contact me.

Yours very truly,

A handwritten signature in cursive script, appearing to read "A. R. Kendrick".

A. R. Kendrick

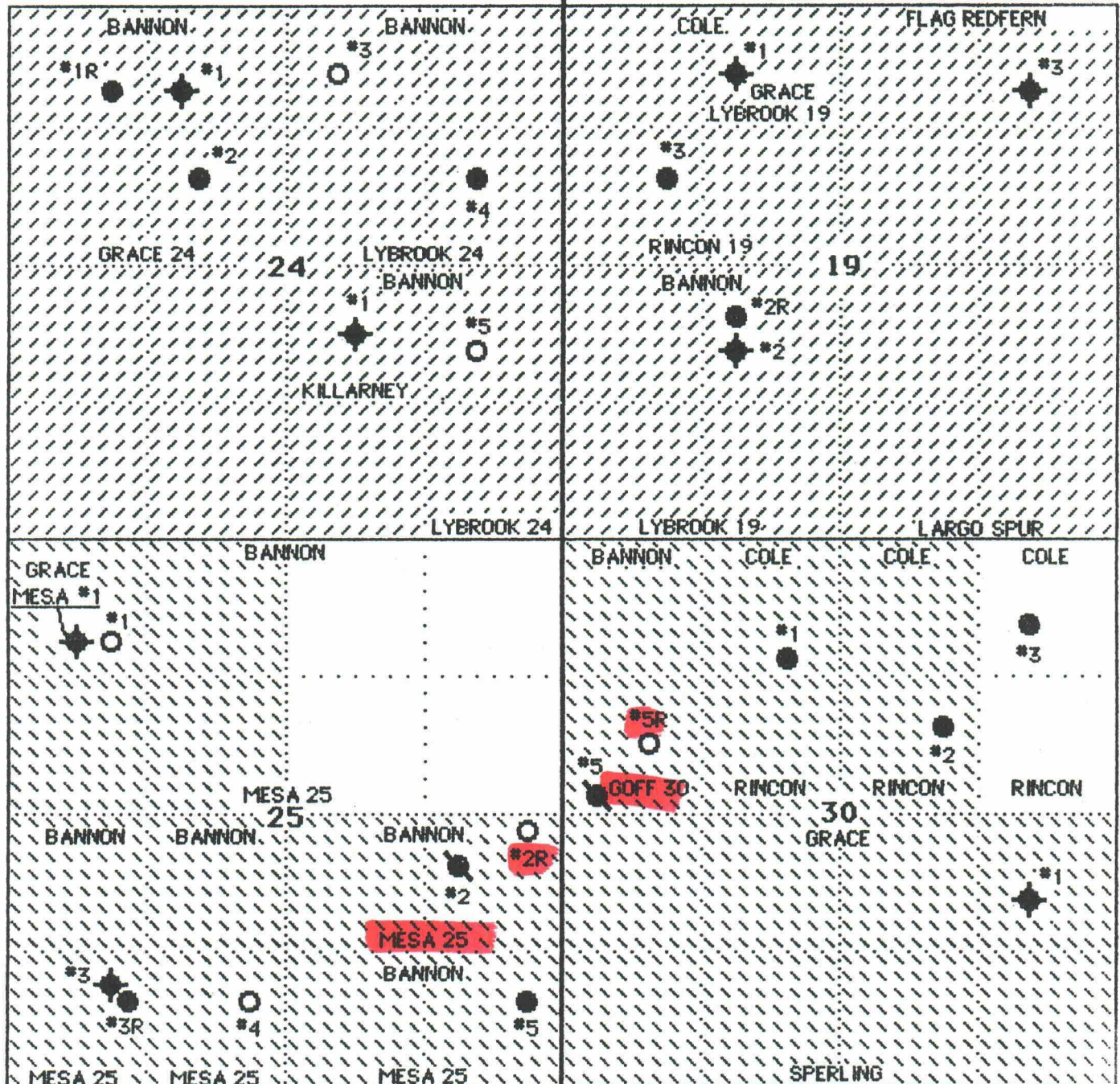
Enclosure

xc: Bannon Energy, Inc.

# TOWNSHIP 24 NORTH

RANGE 7 W

RANGE 6 W



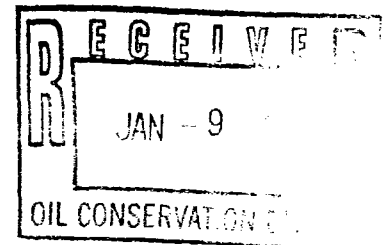


# **A. R. KENDRICK**

P.O. BOX 516 • AZTEC, NEW MEXICO 87410 • (505) 334-2555

January 7, 1991

Mr. Michael Stogner  
Oil Conservation Division  
Box 2088  
Santa Fe, New Mexico 87504-2088



Re: Application for Non-Standard Location  
Bannon Energy, Inc.  
Mesa 25 #2R, 2416' FSL 287' FEL  
I-25-T2-N-R7W  
Escrito Gallup Oil Pool  
Rio Arriba County

Dear Mr. Stogner:

The location of the proposed well is between two wells, both completed in 1961. The proposed well is more than 750 feet from the original well on this tract and 748 feet from the original well on the diagonal tract. In my opinion, this does not constitute a case of geologic advantage.

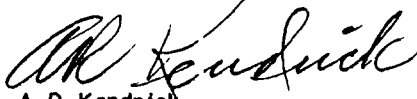
All parties with a possible legitimate objection to this application have filed waivers of objection to this application with your office.

The operator desires to drill in the location of the subject application for whatever reason. The expense of moving the well spot to another location may jeopardize the drilling of the replacement well.

Bannon Energy does not want this application set for hearing.

If further information is needed, please contact me.

Yours very truly,

  
A. R. Kendrick

xc: Bannon Energy, Inc.

R  
7  
W

R  
6  
W

PROPOSED NEW LOCATION

EXISTING MESA 25-2 LOCATION

STANDARD LOCATION WINDOWS: NW-SE, NE-SE

UNACCEPTABLE TOPOGRAPHICLY

MESA 25-2R  
2416' FSL, 287' FEL  
SEC. 25, T24N-R7W  
RIO ARRIBA CO., NM



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

BRUCE KING  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

January 10, 1991

Bannon Energy, Inc.  
c/o A.R. Kendrick  
Box 516  
Aztec, NM 87410-0516

*RE: Application for a non-standard oil well location.  
Mesa 25 Well No. 2R; 2416' FSL - 287' FEL, I-25-  
T24N-R7W, Escrito Gallup Associated Pool, Rio  
Arriba County, New Mexico.*

Dear Mr. Kendrick:

I am in receipt of your letter and additional information concerning the subject application. Subsequent to review, however, it appears that this application does not meet the qualifications (as they exist presently) for administrative approval.

I have therefore set this matter for hearing on the next available docket scheduled February 7, 1991. Should Bannon elect not to pursue this matter further, this application may then be dismissed.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner", followed by a long horizontal line.

Michael E. Stogner  
Chief Hearing Officer/Engineer

MES/ag

cc: Oil Conservation Division - Aztec  
US Bureau of Land Management - Farmington



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

BRUCE KING  
GOVERNOR

February 12, 1991

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

Mr. A. R. Kendrick  
P. O. Box 516  
Aztec, New Mexico 87410

Re: CASE NO. 10232  
ORDER NO. R-9434

Applicant:

Bannon Energy, Inc.

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

*Florence Davidson*

FLORENCE DAVIDSON  
OC Staff Specialist

Copy of order also sent to:

Hobbs OCD x  
Artesia OCD x  
Aztec OCD x

Other \_\_\_\_\_  
\_\_\_\_\_