

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 ☐

2. NAME OF OPERATOR

Bannon Energy, Inc.

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

1757' ENL, 745' FWL

At proposed prod. zone

same

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

3 1/2 Miles west of Counselors Trading Post

15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drilg. unit linc. 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

2567.37

19. PROPOSED DEPTH

5670'

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

40.50

20. ROTARY OR CABLE TOOLS

Rotary

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

6896 GR

is subject to technical and  
procedural review pursuant to 43 CFR 3100.3  
and appeal pursuant to 43 CFR 3100.5

22. APPROX. DATE WORK WILL START\*

August 1, 1989

23.

MINING PROGRAM MINING OPERATIONS AUTHORIZED ARE

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
12 1/4"	8 5/8"	24.0 lb.J-55	300'
7 7/8"	4 1/2"	10.5 lb.K-55	5670

SUBJECT TO COMPLIANCE WITH ATTACHED

"GENERAL REQUIREMENTS"

Cement to Surface

800 sx - volumes to be

calculated subsequent to  
logging.

RECEIVED  
OCT 1 8 1989

RECEIVED  
OCT 1 8 1989

OIL CON. DIV

OCT 1 8 1989

Well to be drilled to penetrate the Gallup Formation. All producing  
intervals in the Gallup will be stimulated as necessary.

EXHIBITS:

- "A" Location and Elevation Plat
- "B" Ten point compliance program
- "C" Blowout preventor diagram
- "D" Multi-point requirements of APD
- The gas from this lease is committed.

- "E" Site specific checklist  
for roads
- "F" Drill rig layout
- "G" Completion program layout
- "H" Location Profile

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.

SIGNED

TITLE Agent for Bannon Energy Inc. 9-29-89

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

APPROVED  
AS AMENDED

OCT 24 1989

AREA MANAGER

\*See Instructions On Reverse Side

All distances must be from the outer boundaries of the Section.

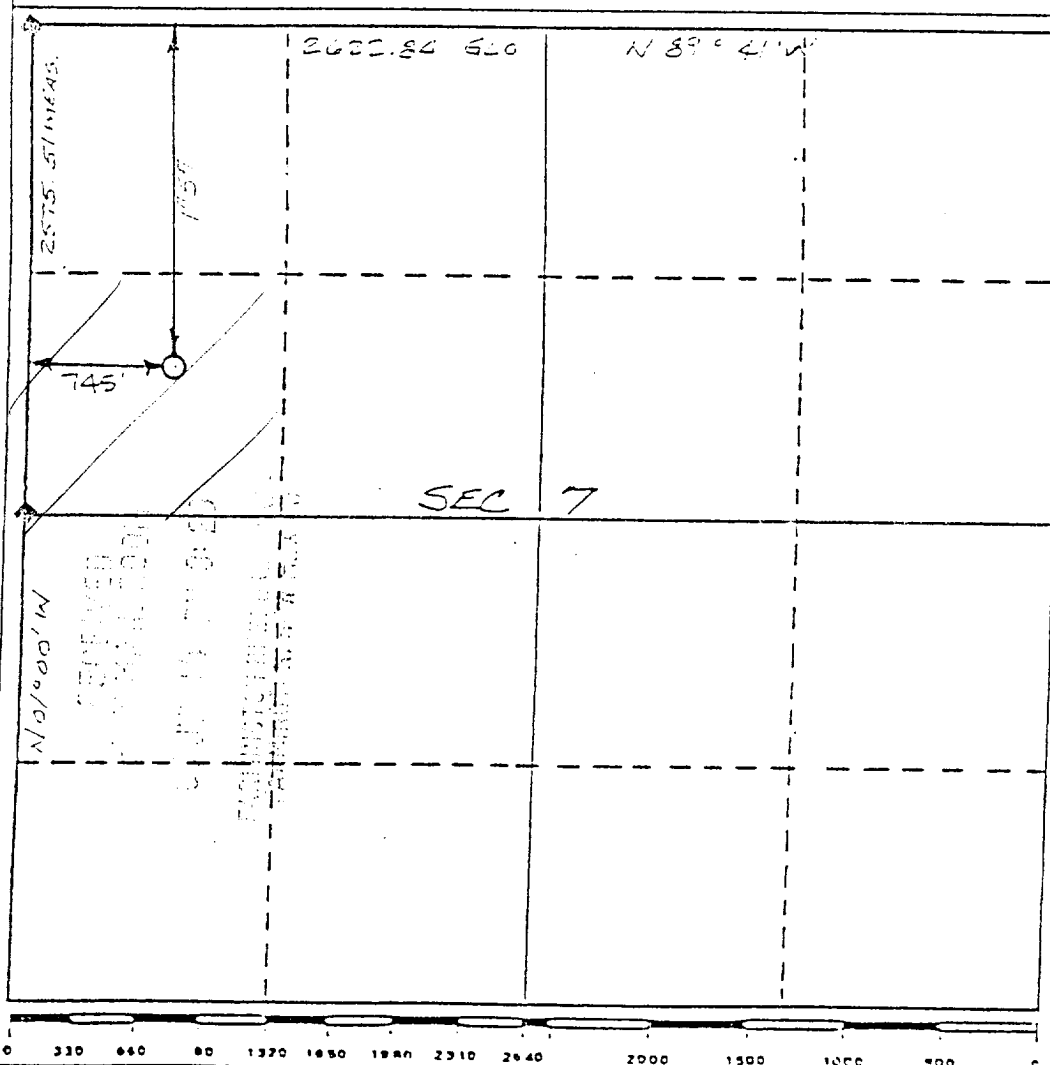
Operator Bannon Energy, Inc.		Lease McBee, B 7		Well No. 5y
Unit Letter E	Section Sec. 7	Township T-23-N	Range R-6-W	County Rio Arriba County
Actual Footage Location of Well:				
1757' feet from the North		line and 745		feet from the West line
Ground Level Elev. 6896 ft.	Producing Formation Gallup	Pool Lybrook	Dedicated Acreage: 40.46 Acres	

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 interests 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 interests, has been approved by the Division.



CERTIFICATION

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

Name \_\_\_\_\_  
Operating Agent  
Position  
Bannon Energy, Inc.  
Company  
July 14 1989  
Date

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.

Date Surveyed  
May 29, 1989  
Registered Land Surveyor  
R. Howard Daggett  
Professional  
Certified Registered Professional  
NM 9679 Land Surveyor