

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

SINGLE ZONE ☒

MULTI ZONE ☒

2. NAME OF OPERATOR

Bannon Energy, Inc. c/o Holcomb Oil & Gas

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

Unit C, 812' FNL x 1786' FWL

At proposed prod. zone

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

3 miles SE of Lybrook

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drip unit line, if any)

16. NO. OF ACRES IN LEASE

2560

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

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

19. PROPOSED DEPTH

5800'

20. ROTARY OR CABLE TOOLS

Rotary

21. SUSTAINABLE (Show whether DV, RT, GR, etc.)

6994' GR

22. APPROXIMATE DATE WORK WILL START

May 31, 1990

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

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 & circulated to surface.

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

EXHIBITS:

"A" Location & Elevation Plat

"B" Ten Point Compliance Program

"C" Blowout Preventor 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.

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.

34. W. J. Holcomb

SIGNED

Agent, Bannon Energy

TITLE

DATE

4-2-90

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

DATE

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

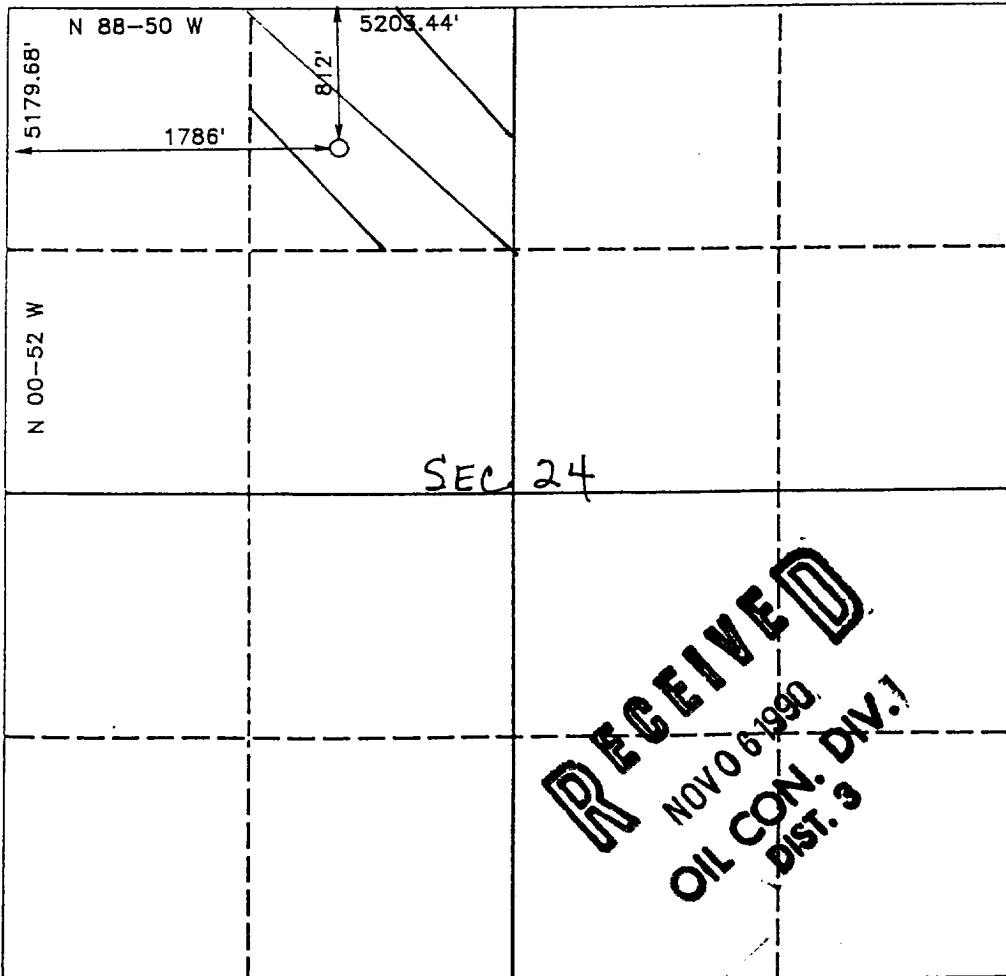
DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

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>FEDERAL 24</b>		Well No. <b>2</b>
Unit Letter <b>C</b>	Section <b>24</b>	Township <b>T.23 N.</b>	Range <b>R.7 W.</b>	County <b>SANDOVAL COUNTY</b>	
Actual Footage Location of Well: <b>812</b> feet from the <b>NORTH</b> line and <b>1786</b> feet from the <b>WEST</b> line					
Ground level Elev. <b>6994</b>	Producing Formation <b>Gallup</b>		Pool <b>Lybrook Gallup</b>		Dedicated Acreage: <b>40</b> Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 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.



OPERATOR CERTIFICATION

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

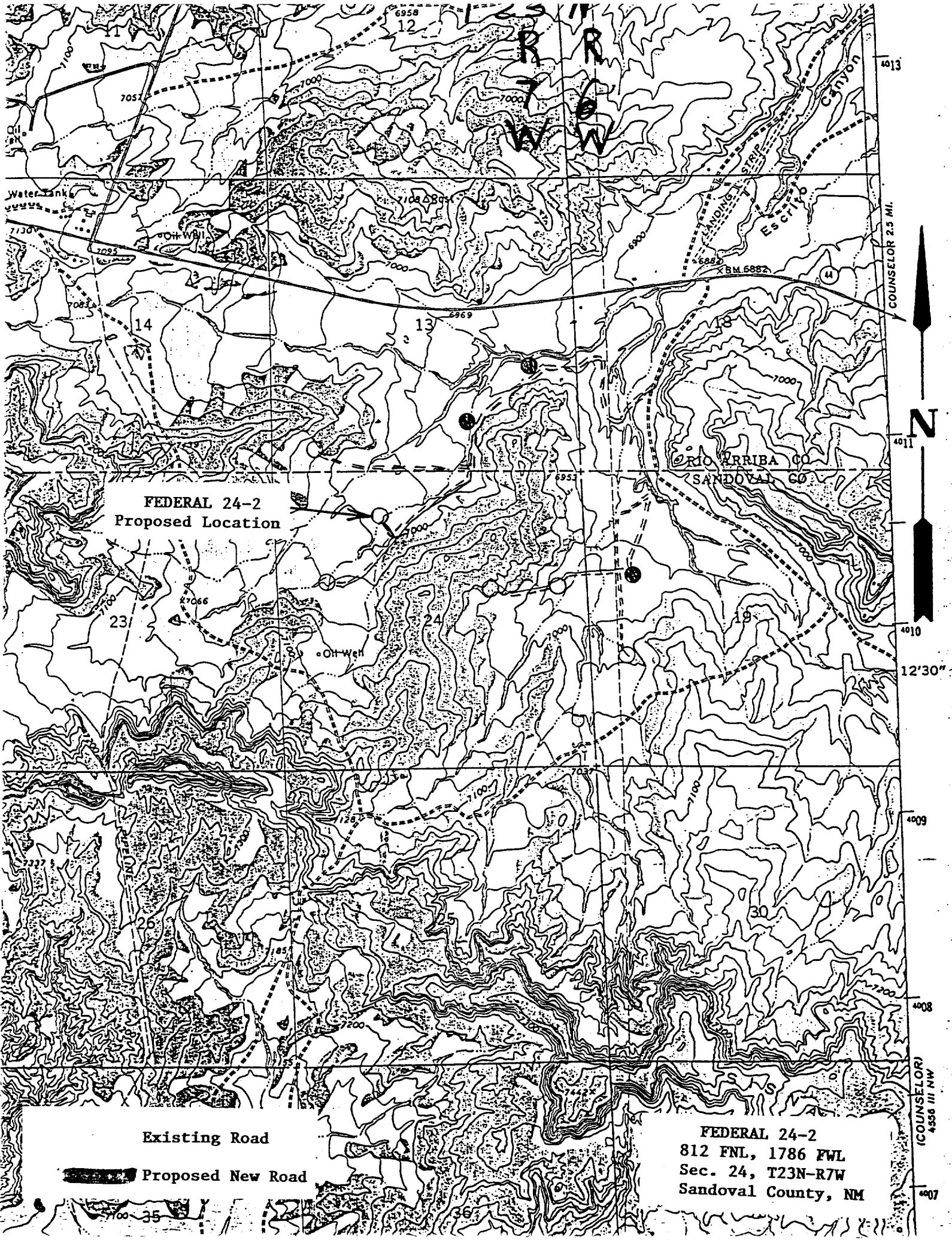
Signature  
*[Signature]*  
Printed Name  
**W. J. Holcomb**  
Position  
**Agent**  
Company  
**Bannon Energy, Inc.**  
Date  
**4-2-90**

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  
**JANUARY 4, 1990**  
Signature & Seal of Professional Surveyor  
*[Signature]*  
**R. HOWARD DAGGETT**  
Certificate No.  
**9649**  
Registered Professional Land Surveyor

RECEIVED  
NOV 6 1990  
OIL CON. DIV. 1  
DIST. 3



FEDERAL 24-2  
Proposed Location

Existing Road

Proposed New Road

FEDERAL 24-2  
812 FNL, 1786 FWL  
Sec. 24, T23N-R7W  
Sandoval County, NM

(COUNSELOR)  
4558 III NW