

Submit 5 Copies  
Appropriate District Office  
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

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<br><b>Bannon Energy Incorporated</b>   |   | Well API No.<br><b>30-039-21588-00</b> |
| Address<br><b>3934 F.M. 1960 West, Suite 240, Houston, Texas 77068</b>  |   |  |
| Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain)   |   |  |
| New Well <input type="checkbox"/>   | Change in Transporter of:   |  |
| Recompletion <input type="checkbox"/>   | Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/>               | <b>Effective 10-1-90</b>               |
| Change in Operator <input checked="" type="checkbox"/>  | Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/> |  |
| If change of operator give name and address of previous operator<br><b>ARCO Oil and Gas Company, P.O. Box 1610, Midland, Tx. 79702</b><br><b>Division of Atlantic Richfield Company</b> |   |  |

II. DESCRIPTION OF WELL AND LEASE

|   |                      |  |  |                                |
|---|----------------------|--|--|--------------------------------|
| Lease Name<br><b>Chacon Federal</b>   | Well No.<br><b>5</b> | Pool Name, Including Formation<br><b>W. Lindreth Gallup - Dakota</b> | Kind of Lease<br>State, Federal or Fee | Lease No.<br><b>SF-080472A</b> |
| Location<br>Unit Letter <b>P</b> : <b>850</b> Feet From The <b>South</b> Line and <b>850</b> Feet From The <b>East</b> Line<br>Section <b>19</b> Township <b>24N</b> Range <b>3W</b> , NMPM, <b>Rio Arriba</b> 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"/><br><b>Meridian Oil Company</b>                | Address (Give address to which approved copy of this form is to be sent)<br><b>P.O. Box 4289, Farmington, NM 87401</b> |  |
| Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/><br><b>El Paso Natural Gas Company</b> | Address (Give address to which approved copy of this form is to be sent)<br><b>P.O. Box 4990, Farmington, NM 87499</b> |  |
| If well produces oil or liquids, give location of tanks.   | Unit <b>P</b> Sec <b>19</b> Twp <b>24N</b> Rge <b>3W</b>   | Is gas actually connected? <b>Yes</b> When? <b>4-11-79</b> |

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                    | Gas Well             | New Well          | Workover  | Deepen | Plug Back    | Same Res'v | Diff Res'v |
| Date Spudded                        | Date Compl. Ready to Prod.  |                      | Total Depth       |           |        | P.B.T.D.     |            |            |
| Elevations (DF, RKB, RT, GR, etc.)  | Name of Producing Formation |                      | Top Oil/Gas Pay   |           |        | Tubing Depth |            |            |
| Perforations                        |                             |                      | Depth Casing Shoe |           |        |              |            |            |
| TUBING, CASING AND CEMENTING RECORD |                             |                      |                   |           |        |              |            |            |
| HOLE SIZE                           |                             | CASING & TUBING SIZE |                   | DEPTH SET |        | SACKS CEMENT |            |            |
|                                     |                             |                      |                   |           |        |              |            |            |
|                                     |                             |                      |                   |           |        |              |            |            |
|                                     |                             |                      |                   |           |        |              |            |            |
|                                     |                             |                      |                   |           |        |              |            |            |

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  | Date of Test    | Producing Method (Flow, pump, gas lift, etc.) |
| Length of Test  | Tubing Pressure | Casing Pressure                               |
| Actual Prod. During Test  | Oil - Bbls.     | Water - Bbls.                                 |
|   |                 | <b>RECEIVED</b><br><b>JAN 03 1991</b>         |
|   |                 | Choke Size<br>Gas - MCF                       |

OIL CON. DIV

|                                  |                           |
|----------------------------------|---------------------------|
| GAS WELL                         |                           |
| Actual Prod. Test - MCF/D        | Length of Test            |
| Testing Method (pilot, back pr.) | Tubing Pressure (Shut-in) |
| Bbls. Condensate/MCF             |                           |
| Gravity of Condensate            |                           |
| 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.

**Russell A. Chabaud**  
Signature  
Vice President-Operations  
Printed Name  
1/2/91  
Date  
713-537-9000  
Telephone No.

OIL CONSERVATION DIVISION

Date Approved **JAN 03 1991**  
By **[Signature]**  
Title **SUPERVISOR DISTRICT I**

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.