

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 ☐ MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Bannon Energy, Inc., c/o Daggett & Chenault, Inc.

3. ADDRESS OF OPERATOR

3935 E. 30th, Ste. 7B, Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*

At surface

Section 25, T24N, R8W 1969' FNL x 1984' FEL  
At proposed prod. zone

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

Approximately 6 miles NW of Lybrook

15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drig. unit line, if any)

16. NO. OF ACRES IN LEASE

1080 Acres

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

6875' GL

22. APPROX. DATE WORK WILL START\*

09/01/90

23.

This action is subject to technical and  
procedural review pursuant to 43 CFR 3160.3  
and appeal pursuant to 43 CFR 3160.7.

CEMENTING PROGRAM

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

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"	11.6 lb. K-55	5800'

Cement to Surface  
800 sx-volume to be calculated  
subsequent to logging & circulate  
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.

24.

SIGNED

Robert G. Chenault

TITLE Agent, Bannon Energy, Inc.

DATE

(This space reserved for signature of operator)

PERMIT NO.

APPROVAL DATE

APPROVED BY

AUG 13 1990

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

OIL CON. DIV.,  
DIST. 3

\*See Instructions On Reverse Side

1. The first step in the process is to identify the problem or issue that needs to be addressed. This involves gathering information and understanding the context of the problem.

[illegible]

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

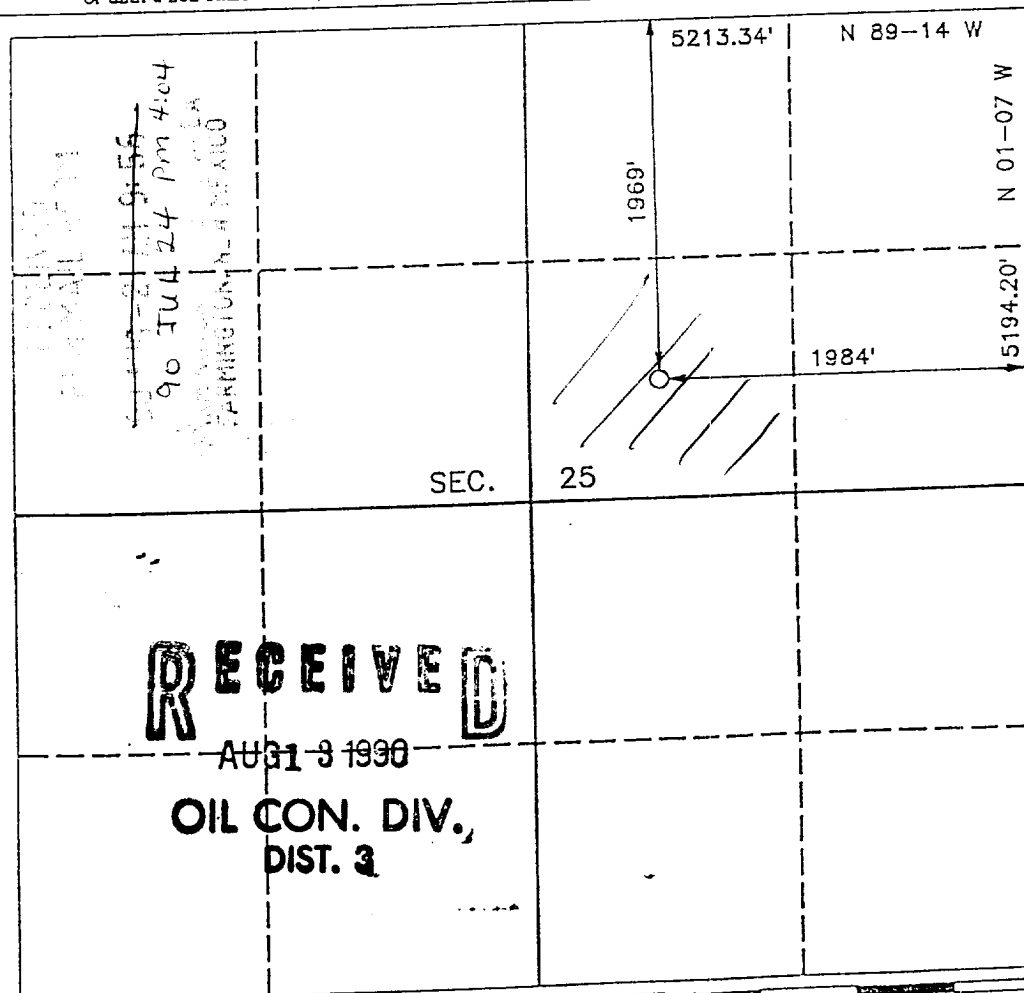
DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

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>SOUTH BLANCO FED. UNIT</b>		Well No. <b>25-9</b>
Unit Letter <b>G</b>	Section <b>25</b>	Township <b>T.24 N.</b>	Range <b>R.8 W.</b>	County <b>SAN JUAN COUNTY</b>
Actual Footage Location of Well: <b>1969</b> feet from the <b>NORTH</b> line and <b>1984</b> feet from the <b>EAST</b> line				
Ground level Elev. <b>6875</b>	Producing Formation <b>Gallup</b>	Pool <b>Lybrook</b>	Dedicated Acreage: <b>40 Acres</b>	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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

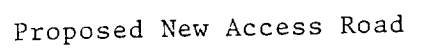
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Robert S. Larson*  
Printed Name: **Robert S. Larson**  
Position: **Right-of-Way Agent**  
Company: **Daggett & Chenault Inc**  
Date: **Aug. 2, 1990**

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: **JUNE 1990**  
Signature & Seal of Professional Surveyor: *R. Howard Daggett*  
**R. HOWARD DAGGETT**  
**8879**  
Certificate No.: **9879**  
Registered Professional Land Surveyor



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT" for such proposals

5. Lease Designation and Serial No.  
NM12233

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE

7. If Unit or CA, Agreement Designation

S. Blanco Fed. Unit

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.

S. Blanco Fed. Unit 25-9

2. Name of Operator

Bannon Energy Incorporated

9. API Well No.

30-045-28122

3. Address and Telephone No.

3934 F.M. 1960 West, Suite 240, Houston, Texas 77068

10. Field and Pool, or Exploratory Area

Lybrook Gallup

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Unit G, 1969' FNL x 1984' FEL

11. County or Parish, State

Section 25-T24N-R8W

San Juan County, New Mexico

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent  
☐ Subsequent Report  
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment  
☐ Recompletion  
☐ Plugging Back  
☐ Casing Repair  
☐ Altering Casing  
☒ Other Production Casing Cmt.  
☐ Change of Plans  
☐ New Construction  
☐ Non-Routine Fracturing  
☐ Water Shut-Off  
☐ Conversion to Injection  
☐ Dispose Water

(Note: Report results of multiple completion or Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Drilled 6 1/2" hole to 5744'. Ran 140 jts. of 4 1/2" 11.6# casing and set at 5706'. Cement with 300 sks 65/35 poz w/12% gel and 6# per sk. gilsonite followed by 200 sks. 50/50 poz w/2% gel and 10% salt. Plug down at 3:45 p.m. on 9/27/90. Circulated 25 Bbls. of cement to surface.

RECEIVED  
OCT 16 1990  
OIL CON. DIV.  
DIST. 3

14. I hereby certify that the foregoing is true and correct

Signed J.M. Harrison

Title J.M. Harrison  
Operations Manager

ACCEPTED FOR RECORD  
Date 10/3/90

(This space for Federal or State office use)

OCT 11 1990

Approved by \_\_\_\_\_  
Conditions of approval, if any:

Title \_\_\_\_\_

FARMINGTON RESOURCE AREA

BY MT

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

OK  
(9)

J. Blanco Feb. 25 #9

WELL NAME AND NUMBER S.B.C. Fed. Unit 25-9

LOCATION Sec 25 T24N-R8W, San Juan Co. n.m.  
(New Mexico give U, S, T, & R; Texas give S, BK., Sur. & Twp. when required.)

OPERATOR Bannon Energy Inc.

DRILLING CONTRACTOR Welltec Rig #347

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above-described well and that he has conducted deviation tests and obtained the following results:

Degrees @ Depth	Degrees @ Depth	Degrees @ Depth	Degrees @ Depth
0 - 305'			
1/4 - 800'			
1 1/2 - 1286'			
2 - 1780'			
2 - 2218'			
2 - 2700'			
2 - 3261'			
1 1/4 - 3600'			
1 3/4 - 4050'			
1 3/4 - 4127'			
1 1/4 - 4599'			
1 - 5094'			
3/4 - 5744'			

RECEIVED  
OCT 22 1990  
OIL CON. DIV.  
DIST. 3

Drilling Contractor \_\_\_\_\_

By [Signature]

Subscribed and sworn to before me this 22 day of Oct., 1990

[Signature]  
Notary Public

My Commission Expires:

San Juan County, \_\_\_\_\_

Aug. 18, 1994

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE\*  
(Other instructions on re-  
verse side)

Expires August 31, 1985

# SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. LEASE DESIGNATION AND SERIAL NO. NM-12233	
2. NAME OF OPERATOR Bannon Energy Incorporated		7. IF INDIAN, ALLOTTEE OR TRIBE NAME	
3. ADDRESS OF OPERATOR 3934 F.M. 1960 West, Suite 240, Houston, Texas 77068		7. UNIT AGREEMENT NAME South Blanco Federal Unit	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface Unit G 1969' FNL x 1984' FEL		8. FARM OR LEASE NAME South Blanco Federal Unit	
14. PERMIT NO.		9. WELL NO. 25- <del>2</del> # 9	
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 6875 GR		10. FIELD AND POOL, OR WILDCAT Lybrook Gallup	
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA G Sec. 25, T24N-R8W	
		12. COUNTY OR PARISH 13. STATE San Juan NM	

## Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

### NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANE <input type="checkbox"/>
(Other) <input type="checkbox"/>	

### SUBSEQUENT REPORT OF:

WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
(Other) <u>Surface Casing Cement</u> <input checked="" type="checkbox"/>	

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Spud at 6:00 p.m. 9/14/90. Drilled 12 1/4" hole to 305'. Ran 7 Joints of 8 5/8" 23# casing. Set at 295'. Cement with 250 sacks class "B" with 2% CaCl<sub>2</sub> x 1/4# Celloseal per sack. Circulated 6 barrels cement to surface. Plug down at 4:30 a.m. 9/16/90.

*Pressure test well #*

RECEIVED

OCT 16 1990

OIL CON. DIV.  
DIST. 3

ACCEPTED FOR RECORD

DATE  
OCT 11 1990

FARMINGTON RESOURCE AREA

BY *WT*

\*See instructions on Reverse Side

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE\*

(See other instructions on reverse side)

Form approved.  
Budget Bureau No. 1004-0137  
Expires August 31, 1985

WELL COMPLETION OR RECOMPLETION REPORT AND LOG\*

1a. TYPE OF WELL: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> Other _____		5. LEASE DESIGNATION AND SERIAL NO. NM-12233	
b. TYPE OF COMPLETION: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP EN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RENVR. <input type="checkbox"/> Other _____		6. IF INDIAN, ALLOTTEE OR TRIBE NAME _____	
2. NAME OF OPERATOR Bannon Energy Incorporated		7. UNIT AGREEMENT NAME _____	
3. ADDRESS OF OPERATOR 3934 F.M. 1960 West, Suite 240, Houston, TX 77068		8. FARM OR LEASE NAME S. Blanco Fed. Unit 25	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface Unit G, 1969' FNL x 1984' FEL At top prod. interval reported below  At total depth		9. WELL NO. 9	
14. PERMIT NO. 30-045-28122		DATE ISSUED _____	
15. DATE SPUDDED 9/14/90		16. DATE T.D. REACHED 9/26/90	
17. DATE COMPL. (Ready to prod.) 10/9/90		18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 6875' GR	
19. ELEV. CASINGHEAD _____		20. TOTAL DEPTH, MD & TVD 5744	
21. PLUG, BACK T.D., MD & TVD 5646		22. IF MULTIPLE COMPL., HOW MANY* N/A	
23. INTERVALS DRILLED BY _____		ROTARY TOOLS X	
24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 5567' Top MD 5669' Bottom MD		25. WAS DIRECTIONAL SURVEY MADE YES	
26. TYPE ELECTRIC AND OTHER LOGS RUN Compensated Density		27. WAS WELL CORDED NO	
28. CASING RECORD (Report all strings set in well)			
CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE
8 5/8"	23#	295	12 1/4
4 1/2"	11.6#	5706	6 1/2
CEMENTING RECORD		AMOUNT PULLED	
250 sks. "B"		N/A	
300 sks. 65/35 poz		N/A	
x 200 sks. 50/50 poz			
29. LINER RECORD			
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*
N/A			
30. TUBING RECORD			
SIZE	DEPTH SET (MD)	PACKER SET (MD)	
2 3/8"	5610	N/A	
31. PERFORATION RECORD (Interval, size and number)			
5567-74'	2 JSPF		
5611, 17, 34'	1 JSPF		
36, 55, 69'			
32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.			
DEPTH INTERVAL (MD)		AMOUNT AND KIND OF MATERIAL USED	
5567-5669		100,000# 20/40 sd	
		x N <sub>2</sub> Foam	
33.* PRODUCTION			
DATE FIRST PRODUCTION 10/9/90		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Pumping	
DATE OF TEST 10/9/90		WELL STATUS (Producing or shut-in) Producing	
HOURS TESTED 24	CHOKE SIZE N/A	PROD'N. FOR TEST PERIOD →	OIL—BBL. 40
GAS—MCF. 210	WATER—BBL. 4	GAS-OIL RATIO 5250	
FLOW. TUBING PRESS. 200	CASING PRESSURE 300	CALCULATED 24-HOUR RATE →	OIL—BBL. 40
GAS—MCF. 210	WATER—BBL. 4	OIL GRAVITY-API (CORR.) 39.6	
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Sold		TEST WITNESSED BY ACCEPTED FOR RECORD	
35. LIST OF ATTACHMENTS Log provided previously		OCT 31 1990	
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records			
SIGNED <u>J.M. Harrison</u> J.M. Harrison		TITLE <u>Operations Manager</u> FARMINGTON RESOURCE AREA DATE <u>10/9/90</u>	

\*(See Instructions and Spaces for Additional Data on Reverse Side)



37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
Ojo Alamo	1240	1355				
Kirkland	1355	1800				
Fruitland	1800	1920				
Pictured Cliffs	1920	2310				
Chacra	2310	3560				
Cliffhouse	3560	3650				
Menefee	3650	4240				
Point Lookout	4240	4500				
Mancos	4500	5420				
Gallup	5420	5669				

RECEIVED  
NOV 5 1990  
OIL CON. DIV.  
ASST. S.

DEPARTMENT OF THE INTERIOR (Other instructions on reverse side)  
BUREAU OF LAND MANAGEMENT

Explains August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL ☒ GAS WELL ☐ OTHER ☐

2. NAME OF OPERATOR

Bannon Energy Incorporated

3. ADDRESS OF OPERATOR

3934 F.M. 1960 West, Suite 240, Houston, Texas 77068

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)  
At surface

SE/4, NE/4, Sec. 25-T24N-R8W,  
Unit H, 2088' FNL x 384' FEL

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, RT, OR, etc.)  
6902' BL

6. LEASE DESIGNATION AND SERIAL NO.  
NM-12233

8. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

S. Blanco Fed. Unit

8. FARM OR LEASE NAME

S. Blanco Fed. Unit

9. WELL NO.

25#10

10. FIELD AND POOL, OR WILDCAT

Lybrook Gallup

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

Sec. 25-T24N-R8W

12. COUNTY OR PARISH

San Juan

13. STATE

NM

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PELL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON

CHANGE PLANE

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

REPAIRING WELL

ALTERING CASING

ABANDONMENT

X

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

Move in, rig up; spud at 12:30 p.m. 9/30/90. Drilled 12 1/4" hole to 314'. Ran Jts. 8 5/8" csg. and set 312'. Cemented w/250 sks. class "B" w/2% CaCl. Circulated 17 Bbls cement to surface.

RECEIVED  
OCT 16 1990  
OIL CON. DIV.  
DIST. 3

18. I hereby certify that the foregoing is true and correct

SIGNED R.A. Chabaud

TITLE V.P. Operations

(This space for Federal or State office use)

DATE 10/1/90

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

ACCEPTED FOR RECORD

OCT 11 1990

\*See instructions on Reverse Side

NM000

FARMINGTON RESOURCE AREA

BY

Title is U.S.C. 1001-1002

It is a crime for any person knowingly and willfully to make to any department or agency of the United States any false statement or representation with intent to defraud or to obtain any benefit therefrom.