

A. R. KENDRICK

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

August 28, 1990

OIL CONSERVATION DIVISION
RECEIVED

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

Re: Application for Non-Standard Location
Bannon Energy, Inc.
Federal 14 #6, 1153' FSL 1230' FWL
M-14-T23N-R7W
Lybrook Gallup Oil Pool
Rio Arriba County

Gentlemen:

We, on behalf of Bannon Energy, Inc., hereby make application for approval of the location of a well to be located 1153' FSL 1230' FWL of Section 14, Township 23 North, Range 7 West, Lybrook Gallup Oil Pool, Rio Arriba County, New Mexico.

The reason for this application is due to topography and to the finding of archaeological and cultural material on the standard location area.

An attempt was made to locate the well at a standard location, but the archaeological findings caused the location to be moved to the present location.

The attached exhibits show the situation at the location and surrounding area.

Also enclosed, not as an exhibit, is a copy of the archaeological report of the area.

All offset operators and lease owners are being notified by certified mail at this mailing. The return cards will be provided when they are received.

It is my belief that the information contained in this application is true and correct according to the information supplied to me.

If further information is needed, please contact me.

Yours very truly,


A. R. Kendrick

Enclosures

xc: As shown on Exhibit E

APPLICATION FOR NON-STANDARD LOCATION

Bannon Energy, Inc.
Federal 14 #6
1153' FSL 1230' FWL
M-14-T23N-R7W
Lybrook Gallup Pool
Rio Arriba County, New Mexico

The following exhibits are enclosed :

EXHIBIT A Form C-102, Well Location and Acreage Dedication Plat: shows the location of the well with respect to the section lines, the dedicated acreage, and the proration unit.

EXHIBIT B Enlarged copy of Topographic Map: shows the location to be adjacent to a steep hillside below a "bench" of the mesa on which archaeological sites were found.

EXHIBIT C Owners, Well & Windows Plat:

- Shows the ownership of offset wells.
- Shows the locations of the Federal 14 #6 and other wells within the area.
- Shows the "windows" for standard locations as provided in Rule 104.
- Shows that the #6 well is more than 660 feet from the nearest offset well.

EXHIBIT D Copy of Application for Permit to Drill: shows the Application for Permit to Drill.

EXHIBIT E Names and Addresses of Offset Owners and Interested Parties.

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

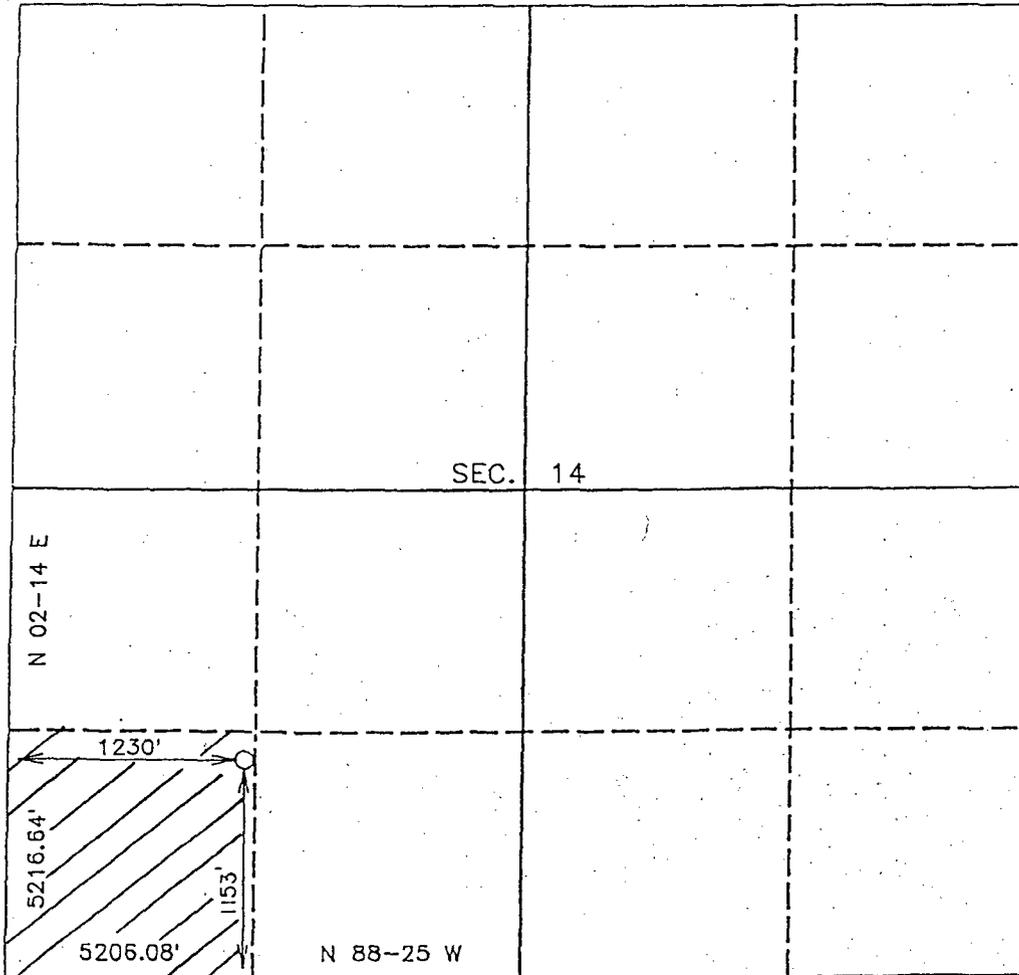
Operator BANNON ENERGY, INC.		Lease FEDERAL 14		Well No. 6
Unit Letter M	Section 14	Township T.23 N.	Range R.7 W.	County RIO ARRIBA COUNTY
Actual Footage Location of Well: 1153 feet from the SOUTH line and 1230 feet from the WEST line				
Ground level Elev. 7150	Producing Formation Gallup	Pool Lybrook/Gallup	Dedicated Acreage: 40 Acres	

- 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

Printed Name

Position

Company

Date

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

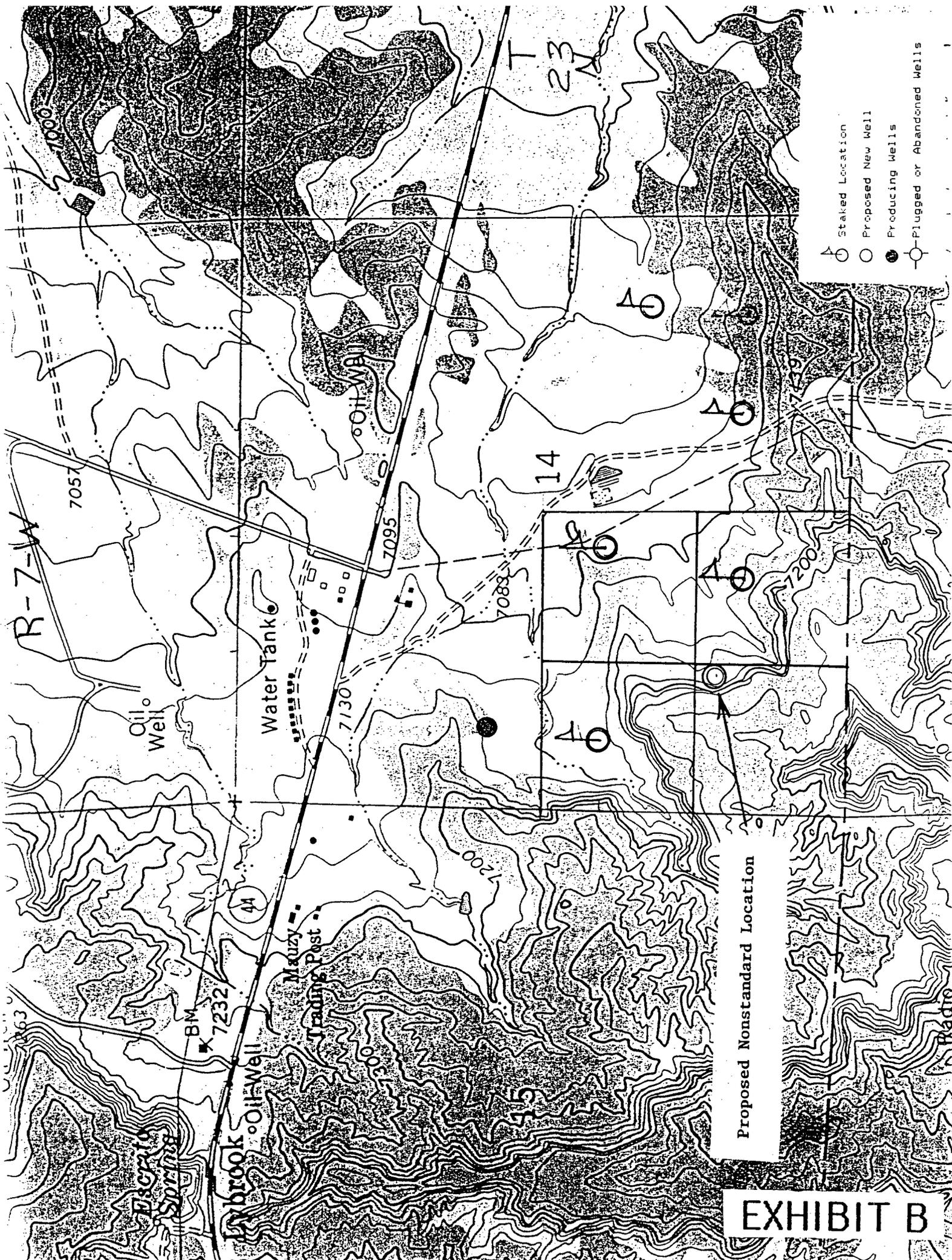
APRIL 27 1990

Signature & Seal of Professional Surveyor

R. HOWARD BAGGETT

Certificate No.

EXHIBIT A



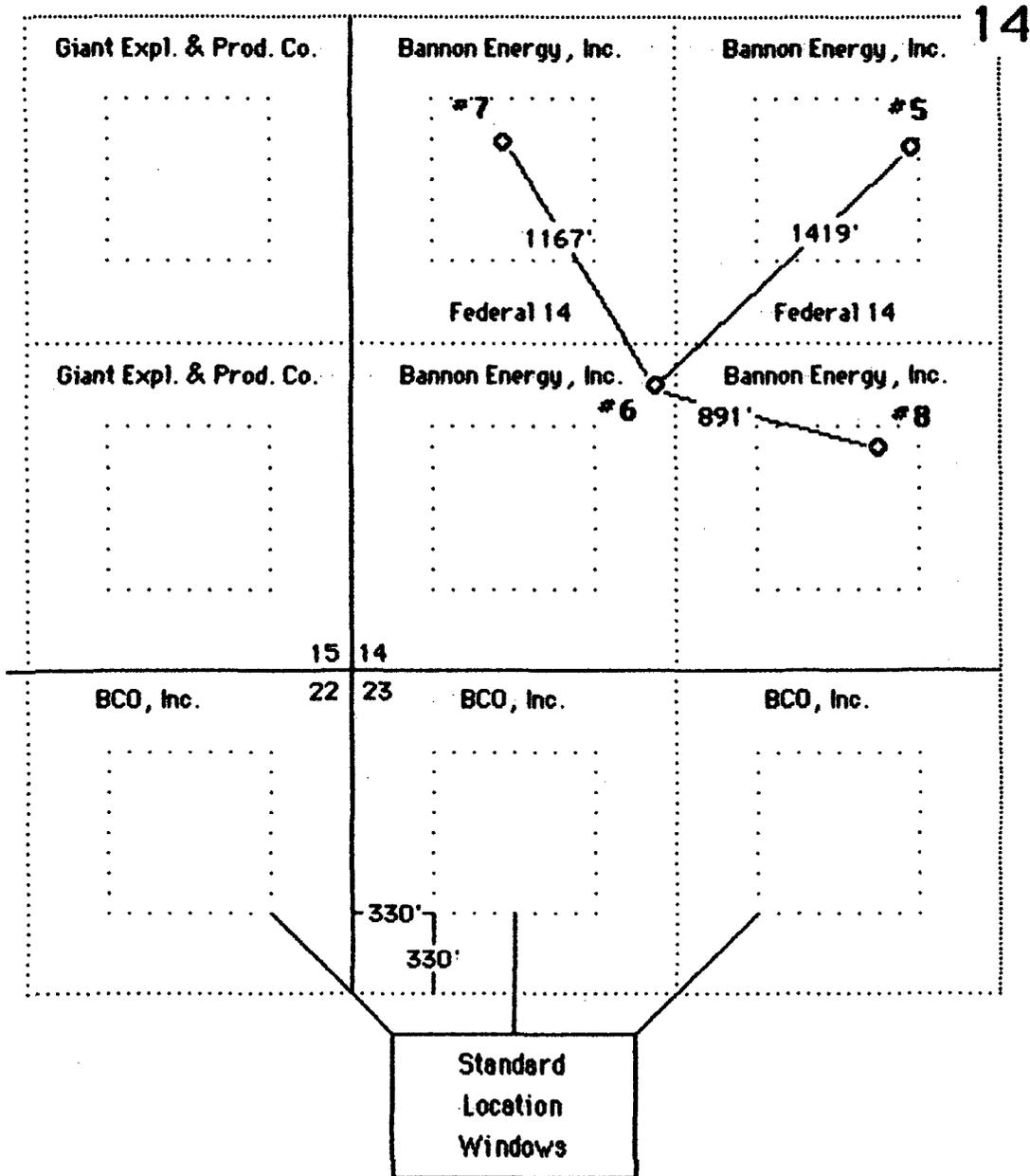
- ▲ Staked Location
- Proposed New Well
- Producing Wells
- ⊖ Plugged or Abandoned Wells

Proposed Nonstandard Location

EXHIBIT B

PLAT OF OWNERS, WELLS & WINDOWS

Bannon Energy, Inc. Federal 14 #6
1153' FSL 1230' FWL Sec. 14-T23N-R7W
Lybrook Gallup Oil Pool



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
SUN MAIL ROOM

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 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
1153' FSL x 1230' FWL
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
1.5 miles SE of Lybrook

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. 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. ELEVATIONS (Show whether DF, RT, GR, etc.) This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.
7150' GL

22. APPROX. DATE WORK WILL START*
June 1, 1990

23. 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 & 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. W. J. HOLCOMB
SIGNED W. J. Holcomb TITLE Agent, Bannon Energy DATE 5-07-90

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

FARMINGTON COPY

EXHIBIT D

copy

**NAMES AND ADDRESSES OF OFFSET OWNERS
AND INTERESTED PARTIES**

APPLICATION FOR NON-STANDARD LOCATION

BANNON ENERGY, INC.

FEDERAL 14 #6

1153' FSL 1230' FWL

M-14-T23N-R7W

Lybrook Gallup Oil Pool

BCO, Inc. •

135 Grant

Santa Fe, New Mexico 87501

Giant Exploration and Production Company •

(formerly Hixon Development Company)

P. O. Box 2810

Farmington, New Mexico 87499-2810

Bureau of Land Management

1235 La Plata Highway

Farmington, New Mexico 87401

Oil Conservation Division

1000 Rio Brazos Road

Aztec, New Mexico 87410

• Sent by Certified Mail, Return Receipt Requested

EXHIBIT E