

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

(NSP-Non-Standard Poration Unit) (NSL-Non-Standard Location)
 (DD-Directional Drilling) (SD-Simultaneous Dedication)
 (DHC-Downhole Commingling) (CTB-Lease Commingling) (PLC-Pool/Lease Commingling)
 (PC-Pool Commingling) (OLS - Off-Lease Storage) (OLM-Off-Lease Measurement)
 (WFX-Waterflood Expansion) (PMX-Pressure Maintenance Expansion)
 (SWD-Salt Water Disposal) (IPI-Injection Pressure Increase)
 (EOR-Qualified Enhanced Oil Recovery Certification) (PPR-Positive Production Response)

(1) TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Directional Drilling
☒ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

(2) NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☒ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☒ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☒ Waivers are Attached

(3) INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Terry Lindeman
 Print or Type Name

Terry Lindeman
 Signature

Operations Superintendent
 Title

7-14-98
 Date

July 14, 1998

RECEIVED
AUG 11 1998
OIL CON. DIV.
DIST. 3

Mr. Mike Stogner
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Dear Mr. Stogner:

Mallon Oil Company is requesting an unorthodox location for the Jicarilla 459-20 Well No. 7 (1535' FNL, 225' FEL, Unit G) Sec. 20, T30N, R3W, Rio Arriba County, New Mexico.

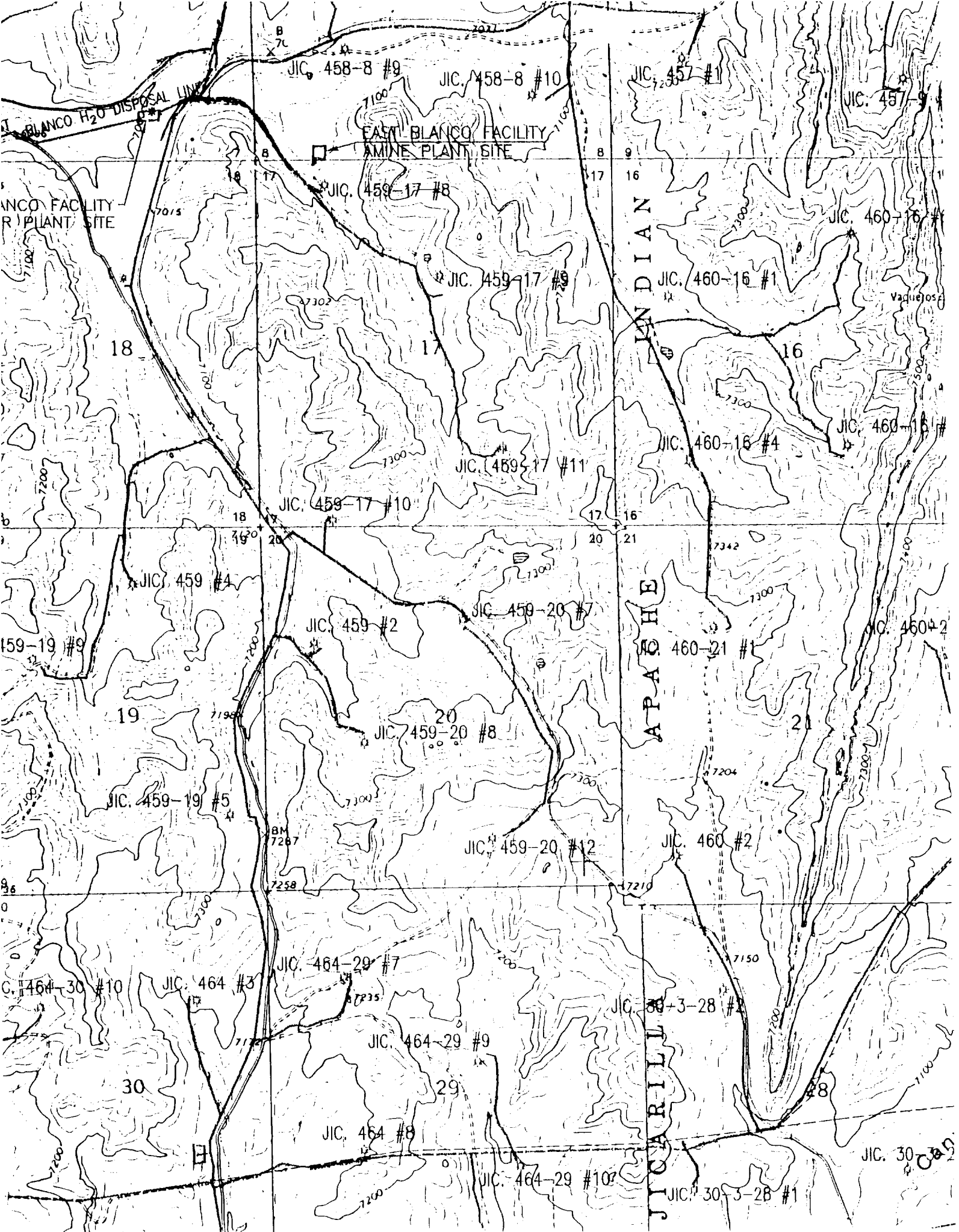
Mallon Oil Company is the only offset operator to the acreage involved. Topography is the main cause for the placement of this well site. Originally the well was staked to the northeast. The location was change at the "on-site" because the acreage to the North and East was extremely steep that a severe cut and fill would have been required for the location as well as the access road. The main drainage forced the move even further to the South and North. The drainage was washed to ten-foot depths in this location. Additionally it was desirable to place the location at this site in order to extensive tree removal and to use the existing trail for access.

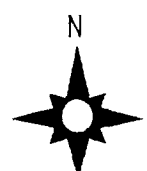
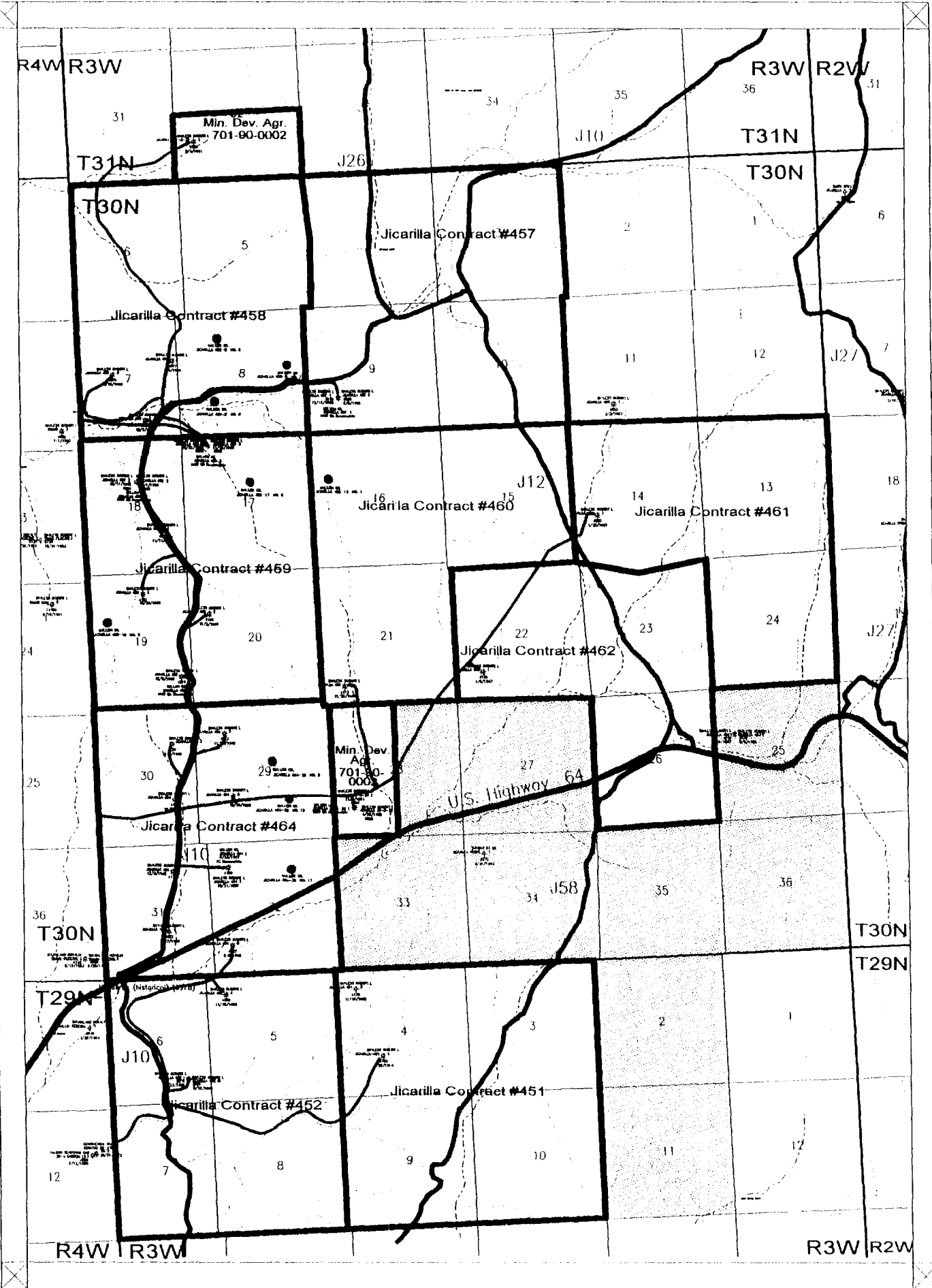
Please contact me at (505) 885-4596, if any additional information is needed.

Sincerely,



Duane C. Winkler
Operations Manager





Scale 1:63360.

0.2 0.4 0.6 0.8 1. miles



LEGEND

- Yellow = Development Contracts
- Green = Proposed Acreage
- Purple Lines = Approximate Pipeline Locations
- Permitted Well Locations

MALLON OIL COMPANY

East Blanco Field
San Juan Basin
Rio Arriba County, New Mexico