CONFIDENTIAL

	UUIVI	LIDENTIAL	•					
Fonn 3160-3				SUBMIT IN TRIPLIC	ATE	FORM APPROV	ED	
(July 1992)	UNITE	D STATES		(Other instruction	ns on	OMB NO: 1004-0	136	
` , ,		OF THE INTERIOR	ĸ	reverse side)		Expires February 28	, 1995	
	BUREAU OF LAN	D MANAGEMENT			ſ	5 LEASE DESIGNATION AN	ID SERIAL NO.	
	APPLICATION FOR PE	RMIT TO DRILL O	OR DEEPE	N		JIGHSTP IT C	Ho. e.	
1a. TYPE OF WORK	Drill X	Deepen Deepen		<u> </u>		6. IF INDIAN, ALLOTTEE OR Jicarilla Apache	TRIBE NAME	
b. TYPE OF WELL. Oil Well	Gas Well X Other		Single Zone	Multiple Zone		7. UNIT AGREEMENT NAM N/A	UC. N.M.	
2. NAME OF OPERATO	,	3925	***			8. FARM OR LEASE NAME,		
3. ADDRESS AND TEL	Mallon Oil Company () 165				Jicarilla 461-24 No.	1	
	P.O. Box 3256	.=== .===			ļ	<u> 30-039</u>	-759	
	Carlsbad, NM 88220	(505) 885-4596	JANE /	A FOR THE STATE OF	H=-	10. FIELD AND POOL, OR V		
LOCATION OF WELL At surface	Report location clearly and in accordance 871' FNL and 1687' FWL (N	e with any State requireme IE/NW) Unit C		5BIVE		E. Blanco, Pictured 11. SEC., T., R., M., OR BLK AND SURVEY OR AREA		
At proposed prod. zone	871' FNL and 1687' FWL (N	IE/NW) Unit C		CT 2 2 1999		Sec. 24, T30N-R3V	V	
	S AND DIRECTION FROM NEAREST TO		GANTI /			12. COUNTY OR PARISH	13. STATE	
15. DISTANCE FROM F	56 miles east of Bloomfield		NO OF ACRE		129	Rio Arriba OF ACRES ASSIGNED	NM	
LOCATION TO NEARES	st 1687'			DIST. 3	TO THIS			
PROPERTY OR LEASE			1920			160		
(Also to nearest drlg. uni			- 55000000	DEDTU	20 00	TARV OR CARLE TOOLS		
	PROPOSED LOCATION*	2182'	PROPOSED	DEPIN	20. RO	TARY OR CABLE TOOLS		
TO NEAREST WELL, D OR APPLIED FOR, ON		2102	4	1500'		Rotary		
	W WHETHER DF, RT, GR, Etc.)	7323' GR 22		WORK WILL START		09/02/98		
23.		POSED CASING AN						
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER F		SETTING DEPTI	Н	QUANTITY OF CE	MENT	
12-1/4"	8-5/8"	24#		500'		Circulate to surface		
7-7/8"	5-1/2"	15.5	·	4500'		570 sks		
				T				
5-1/2" casing w	pany proposes to drill to a cill be cemented at TD. If no Federal regulations. Specifiattachments:	n-productive, the	well will be	e plugged and al	bando	ned in a manner		
Exhibit A: Loc Exhibit B: Roc Exhibit C: On IN ABOVE SPACE DES	1 w Out Preventor Equipment cation and Elevation Plat ads and Pipelines e Mile Radius Map CCRIBE PROPOSED PROGRAM: If propo onally, give pertinent data on subsurface k	E E sal is to deepen, give data			ilities cy Pla Asses d new pr	ssment roductive zone. If proposal is		
to drill or deepen directi	onany, give periment data on substituce it	ocations and measured and	ue vernicai de	pane. One blowout preve		g, n way		
SIGNED:	rry Lindeman	TITLE: <u>(</u>	Operations	Superintendent		DATE	08/19/98	
(This space for Federal	or State office use)							
PERMIT NO				APPROVAL E	OATE			

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.

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct

(Original Signed) HECTOR A. VILLALOBOS TILE Cost full May DATE ______
*See Instructions On Reverse Side

OR Q

CONDITIONS OF APPROVAL, IF ANY:

operations thereon.

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DRILLING PROGRAM

Attached to Form 3160-3

Mallon Oil Company

Jicarilla 461-24 No. 7

871' FNL and 1687' FWL (NE/NW) Unit C

Sec. 24, T30N-R3W

Rio Arriba County, New Mexico

LEASE NUMBER: JIC461

1. Geologic name of surface formation: San Jose

2. Estimated tops of important geologic markers:

San Jose	Surface
Nacimiento	2600'
Ojo Alamo	3230°
Kirtland	3458'
Fruitland	3478'
Pictured Cliffs	3468'
Lower P.C.	4017
Total Depth	4500'

3. Estimated depths of anticipated fresh water, oil, or gas:

San Jose	1500'	Gas
Nacimiento	2600'	Gas
Ojo Alamo	3230'	Gas
Fruitland	3478'	Gas
Pictured Cliffs	3768'	Gas

No other formations are expected to give up oil, gas, or fresh water in measurable quantities. The surface fresh water sands will be protected by setting 8-5/8" casing at 500' and circulating cement back to surface.

4. Proposed casing program:

Hole Size	Interval	Casing OD	Casing weight, grade, thread
12-1/4"	0-500'	8-5/8``	24 lb/ft, K55, ST&C
7-7/8"	0-4500°	5-1/2"	15.5 lb/ft, K55, LT&C

Cement program:

8-5/8" surface casing: Cemented to surface with 350 sks Class B containing 2% CaCl₂, 0.25

lb/sk Cello Seal, slurry to be mixed at 15.6 lb/gal, yield 1.18 cu ft/sk.

Circulate cement to surface.

5-1/2" production casing: Lead slurry 300 sks 65/35 mixed at 13.4 lb/gal, 1.62 cu ft/sk, 30%

excess. Tail with 270 sks 50/50 POZ, containing 1/4 lb/sk Cello

Seal mixed at 14.15 lb/gal, 1.26 cu ft/sk, 30% excess.

P.O. Box 1980, Hobbs, N.M. 88241-1980

DISTRICT II P.O. Drawer DD, Artesia, N.M. 88211-0719

1000 Rio Brazos Rd., Aztec, N.M. 87410

FD. MARKED

Energy, Minerals & Natural Resources Department

rorm C-102 Revised February 21, 1994 Instructions on back

Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

Certificate Number

OIL CONSERVATION DIVISION P.O. Box 2088 Santa Fe, NM 87504-2088

O Box 2088, San	ta Fe, NM	87504-2088			,					AMEN	IDED REPORT	
		,	WELL L	OCATIO	N AND A	CREAGE DED	ICATIO	N PI	LAT			
_	Number		, ,	Pool Code		<i>M</i> 10 1	/ 1	Pool Nam	e			
	39-	2579	$Y \mid Z$	2400		6 130	an	eo	PC			
Property Code					*Property Name				Well Number			
OGRID No	_ ,					A 461-24	··-		7			
OGRID No.					*Operator Name MALLON OIL COMPANY					Elevation		
$L \supset I$	<i>O</i>)										7323'	
UL or lot no.	Section	Section Township Range Lot Idn Feet from the North/South line Feet from the East/W						T	-			
C	24	30-N	Range 3-W	Lot Idn	Feet from the	North/South line NORTH					RIO ARRIBA	
		J	¹¹ Rotte	om Hole	L	_1	<u>.l</u>		WES	·	THIS AIRTIBA	
UL or lot no.	Section	Township	Range	Lot Idn	location	If Different From North/South line	Feet fro		East/West	line	Country	
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		OR A I	NON-STA	NDARD	UNIT HAS E	BEEN APPROVED	BY T	HE DIV	ISION	JI (()	OHDOMDATED	
6 1295.60' CALC'D. CORNER												
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4. 6	ļ								Press 10 1/12 0	as oj me	y knowledge and cetter	
<u>5</u>							į					
	1687'											
					DER	T W B III					<i>C.</i>	
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