

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE  
(Other instructions on  
reverse side)

FORM APPROVED  
OMB NO. 1004-0136  
Expires February 28, 1995

# APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK Drill <input checked="" type="checkbox"/> Deepen <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME <b>Jicarilla Apache</b>	
b. TYPE OF WELL Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>		7. UNIT AGREEMENT NAME <b>N/A</b>	
2. NAME OF OPERATOR <b>Mallon Oil Company</b>		8. FARM OR LEASE NAME, WELL NO. <b>Jicarilla 462-26 No. 9</b>	
3. ADDRESS AND TELEPHONE NO. <b>P.O. Box 3256 Carlsbad, NM 88220 (505) 885-4596</b>		9. API WELL NO. <b>30-039-25998</b>	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface <b>1488' FNL and 1480' FWL (SE/NW) Unit F</b>		10. FIELD AND POOL, OR WILDCAT <b>E. Blanco, Pictured Cliffs</b>	
At proposed prod. zone <b>1488' FNL and 1480' FWL (SE/NW) Unit F</b>		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA <b>Sec. 26, T30N-R3W</b>	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE * <b>54 miles east of Bloomfield, New Mexico</b>		12. COUNTY OR PARISH <b>Rio Arriba</b>	
15. DISTANCE FROM PROPOSED * LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. <b>1480'</b>		13. STATE <b>NM</b>	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. <b>2318'</b>		16. NO. OF ACRES IN LEASE <b>1920</b>	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, Etc.) <b>7219' GR</b>		17. NO. OF ACRES ASSIGNED TO THIS WELL <b>160</b>	
22. APPROX DATE WORK WILL START <b>09/10/98</b>		19. PROPOSED DEPTH <b>4500'</b>	
20. ROTARY OR CABLE TOOLS <b>Rotary</b>		23. PROPOSED CASING AND CEMENTING PROGRAM	
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
<b>12-1/4"</b>	<b>8-5/8"</b>	<b>24#</b>	<b>500'</b>
<b>7-7/8"</b>	<b>5-1/2"</b>	<b>15.5#</b>	<b>4500'</b>
QUANTITY OF CEMENT			
<b>Circulate to surface</b>			
<b>570 sks</b>			

Mallon Oil Company proposes to drill to a depth sufficient to test the Pictured Cliffs formation. If productive, 5-1/2" casing will be cemented at TD. If non-productive, the well will be plugged and abandoned in a manner consistent with Federal regulations. Specific programs as per on-shore Oil and Gas Order No. 1 are outlined in the following attachments:

## Drilling Program

**Exhibit 1: Blow Out Preventor Equipment/Plan**  
**Exhibit A: Location and Elevation Plat**  
**Exhibit B: Roads and Pipelines**  
**Exhibit C: One Mile Radius Map**

Exhibit D: Drilling Site Layout  
Exhibit E: Production Facilities  
Exhibit F: H2S Contingency Plan  
Exhibit G: Environmental Assessment

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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: [Signature] TITLE: Operations Superintendent DATE: 08/27/98  
Larry Endeman

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

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 operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY (Original Signed) HECTOR A. VILLALOBOS TITLE *Asst. Field Man* DATE *OCT 20 1998*

**\*See Instructions On Reverse Side**

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.

CONFIDENTIAL

# DRILLING PROGRAM

Attached to Form 3160-3

Mallon Oil Company

**Jicarilla 462-26 No. 9**

1488' FNL and 1480' FWL (SE/NW) Unit F

Sec. 26, T30N-R3W

Rio Arriba County, New Mexico

**LEASE NUMBER: JIC462**

**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:**

<u>Hole Size</u>	<u>Interval</u>	<u>Casing OD</u>	<u>Casing weight, grade, thread</u>
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% CaCl<sub>2</sub>, 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.

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

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

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

DISTRICT IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, NM 87504-2088

Form C-102

Revised February 21, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-25998		*Pool Code 72400		*Pool Name E Blanco PC	
*Property Code 23823		*Property Name JICARILLA 462-26			*Well Number 9
*OGRID No. 13925		*Operator Name MALLON OIL COMPANY			*Elevation 7219'

<sup>10</sup> Surface Location

UL or lot no. F	Section 26	Township 30-N	Range 3-W	Lot Idn	Feet from the 1488	North/South line NORTH	Feet from the 1480	East/West line WEST	County RIO ARriba
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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<sup>12</sup> Dedicated Acres 160	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

N 89-37-18 E 5218'

16

CALC. COR.		FD. MARKED STONE	
1488'		1480	
26		26	
FD. MARKED STONE		FD. MARKED STONE	

**17 OPERATOR CERTIFICATION**

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

Signature  
Terry Lindeman  
Printed Name  
Operations Superintendent  
Title  
August 27, 1998  
Date

**18 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 of Survey  
Signature  
Professional Land Surveyor  
8894  
Certificate Number

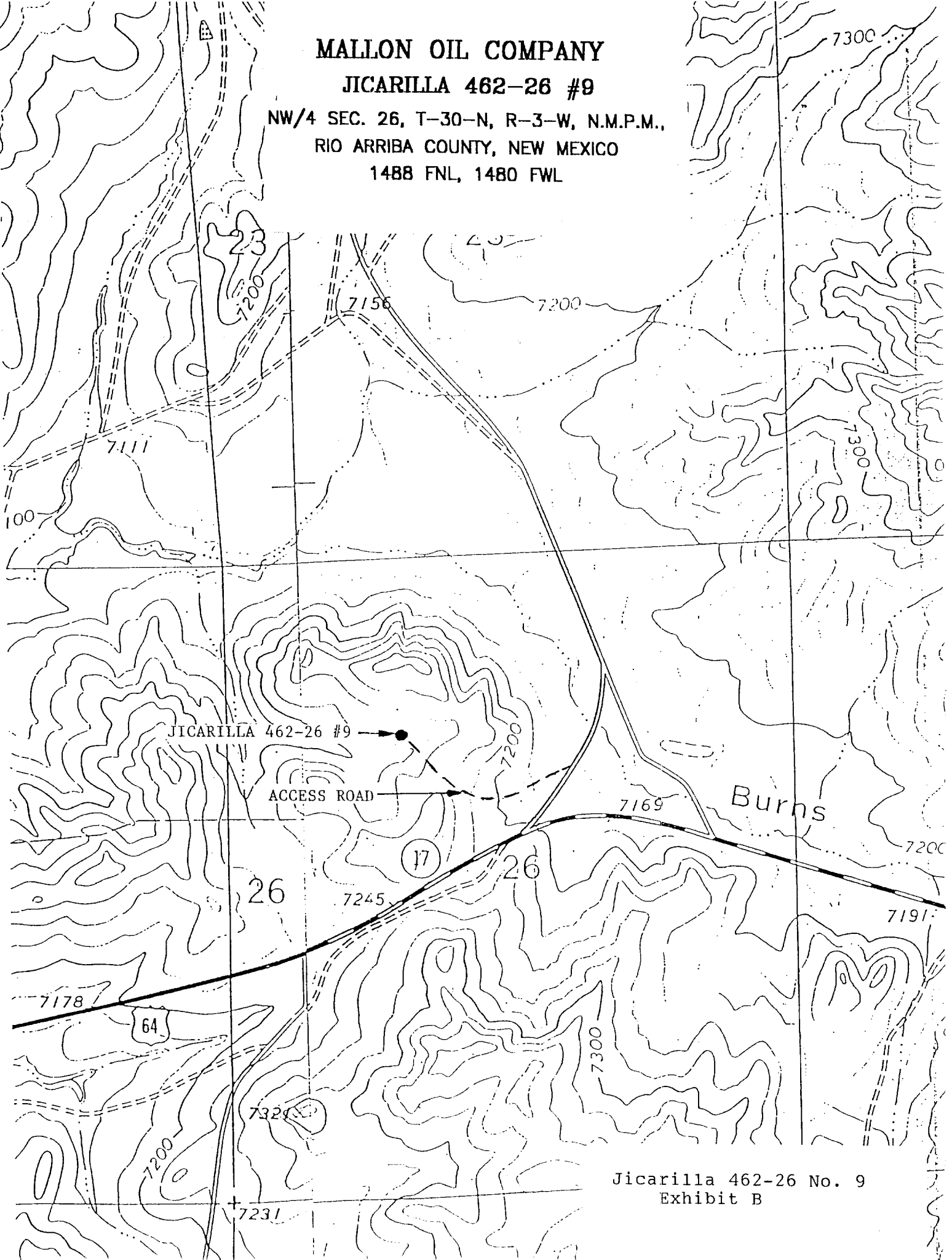
**MALLON OIL COMPANY**

**JICARILLA 462-26 #9**

**NW/4 SEC. 26, T-30-N, R-3-W, N.M.P.M.,**

**RIO ARRIBA COUNTY, NEW MEXICO**

**1488 FNL, 1480 FWL**



Jicarilla 462-26 No. 9  
Exhibit B