

## NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

ADMINISTRATIVE ORDER DHC-2806

Mallon Oil Company P.O. Box 2797 Durango, Colorado 81302

Attention: Mr. Terry G. Lindeman

Jicarilla 459-18 No. 13
API No. 30-039-26058
Unit I, Section 18, Township 30 North, Range 3 West, NMPM, Rio Arriba County, New Mexico.
Cabresto Canyon-Tertiary (Gas – N/A) and
East Blanco-Pictured Cliffs (Gas – 72400) Pools

Dear Mr. Lindeman:

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the zones is hereby placed in abeyance.

The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's San Juan Basin Gas Proration Schedule.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

Cabresto Canyon-Tertiary Gas Pool	Oil-N/A	Gas-49.5%
East Blanco-Pictured Cliffs Gas Pool	Oil-N/A	Gas-50.5%

REMARKS: The operator shall notify the Aztec District Office of the Division upon implementation of the commingling process.

Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 11th day of September, 2000.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

LORI WROTENBERY

Director

SEAL

LW/DRC

cc:

Oil Conservation Division - Aztec

Bureau of Land Management-Farmington

Form 3160-5 (JUNE 1990)

as to any matter within its jurisdiction.

## UNITED STATES R T

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DEPARTMEN	T OF	THE IN	TERIO:
BUREAU OF	LAND	MANA	GEMENT

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.

FORM APPROVED

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

5. Lease Designation and Serial No. Jic 459

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6.	If Indian,	Allotte or	Tribe Name

6. If Indian, Allotte or Tribe Name
Jicarilla Apache Tribe

SUBMIT IN TRIPLICATE		7. If Unit or CA, Agreement Designation
1. Type of Well Oil Well X Gas Well Other:		N/A
Name of Operator     Mallon Oil Company		8. Well Name and No. Jicarilla 459-18 No. 13
3. Address and Telephone No. P.O. Box 2797 Durango, CO 81302	(970)382-9100	9. Well API No. 30-039-26058
Location of Well (Footage, Sec., T., R., M., or Survey Description)		10. Field and Pool, or Exploratory Area
2007' FSL and 1177' FWL (NE/SE) Unit I		East Blanco Pictured Cliffs Ext.  11. County or Parish, State
Sec. 18, T30N-R03W		Rio Arriba, New Mexico
12. CHECK APPROPRIATE BOX(S) TO IND	DICATE NATURE OF NOTICE, REPO	RT, OR OTHER DATA
TYPE OF SUBMISSION	TYPE	OF ACTION
Notice of Intent  X Subsequent Report	Abandonment Recompletion Plugging Back	Change of Plans  New Construction  Non-Routine Fracturing
Final Abandonment Notice	Casing Repair Altering Casing	Water Shut-Off Conversion to Injection
	X Other: 1st Production	Dispose Water
		(Note: Report results of multiple completion on Well
Mallon Oil Company initiated product	August 23, 2000 Un line	676 7 18 20 30 7 P
14. Thereby certification foregoing is true and correct  Signed  Gay Devis  (THIS SPACE FOR FEDERAL OR STATE OFFICE-SE)  Approved B  Conditions of approval, if any:	Title Office Manager  Lands and Mine	Date8/23/00
Tille 18 U. S. C. Section 1001, makes it a crime for any person knowingly and willfully to make any departm	nent or agency of the United States any faise, fictitious or	fraudulent statements or representations as