

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"/>		5. LEASE DESIGNATION AND SERIAL NO. MDA 701-98-0013		
b. TYPE OF WELL Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone <input type="checkbox"/>		6. IF INDIAN ALLOTTEE OR TRIBE NAME Jicarilla Apache		
2. NAME OF OPERATOR Mallon Oil Company		7. UNIT AGREEMENT NAME N/A		
3. ADDRESS AND TELEPHONE NO. P.O. Box 2797 Durango, CO 81302 (970) 382-9100		8. FARM OR LEASE NAME, WELL NO. Jicarilla 30-3-35 #1		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 877' FSL and 723' FEL (SE/SE) Unit P At proposed prod. zone 877' FSL and 723' FEL (SE/SE) Unit P		9. API WELL NO. 30-039-26102		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 54 miles east of Bloomfield, New Mexico		10. FIELD AND POOL, OR WILDCAT E. Blanco, Pictured Cliffs EXT		
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 4704'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 35, T30N-R03W		
16. NO. OF ACRES IN LEASE 39,360		12. COUNTY OR PARISH Rio Arriba		
17. NO. OF ACRES ASSIGNED TO THIS WELL 160		13. STATE NM		
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 4026'		19. PROPOSED DEPTH 4500'		
20. ROTARY OR CABLE TOOLS Rotary		21. ELEVATIONS (SHOW WHETHER DF, RT, GR, Etc.) 7336' GR		
22. APPROX DATE WORK WILL START 12/01/98		23. PROPOSED CASING AND CEMENTING PROGRAM		
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	500'	Circulate to surface
7-7/8"	5-1/2"	15.5#	4500'	570 sks

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.

SIGNED: Terry Lindeman TITLE: Operations Superintendent DATE: 11/13/98

(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:

(Original Signed) HECTOR A. VILLALOBOS
APPROVED BY _____ TITLE: Asst Field Mgr DATE: FEB 2

*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.

HOLD COPY FOR NSL

CONFIDENTIAL

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

OIL CONSERVATION DIVISION

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-26102		*Pool Code 72400	*Pool Name East Blanco; Pictured Cliffs EXT
*Property Code 24235	*Property Name JICARILLA 30-3-35		*Well Number 1
*OGRD No. 013925	*Operator Name MALLON OIL COMPANY		*Elevation 7336'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot 14n	Feet from the	North/South line	Feet from the	East/West line	County
P	35	30-N	3-W		877	SOUTH	723	EAST	RIO ARRIBA

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 14n	Feet from the	North/South line	Feet from the	East/West line	County
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Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160			

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

18	FD. MARKED STONE	<p style="text-align: center;">FD. MARKED STONE</p>	<p>17 OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i></p> <div style="border-top: 1px solid black; margin-top: 20px;"> </div> <div style="border-top: 1px solid black; margin-top: 5px;"> Terrance G. Lindeman <small>Printed Name</small> </div> <div style="border-top: 1px solid black; margin-top: 5px;"> Operations Superintendent <small>Title</small> </div> <div style="border-top: 1px solid black; margin-top: 5px;"> November 13, 1998 <small>Date</small> </div>
35	FD. MARKED STONE	<p style="text-align: center;">FD. MARKED STONE</p>	<p>18 SURVEYOR CERTIFICATION</p> <p><i>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 are true and correct to the best of my knowledge.</i></p> <div style="border-top: 1px solid black; margin-top: 20px;"> 10 <small>Date of Survey</small> </div> <div style="border-top: 1px solid black; margin-top: 5px;"> </div> <div style="border-top: 1px solid black; margin-top: 5px;"> 8894 <small>Certificate Number</small> </div>

N 89-38-38 E 5208.20'

NE COR. SEC. 2
T-29-N, R-3-W, N.M.P.M.
FD. MARKED STONE

723'

677'

SE COR. SEC. 35
CALC. COR.

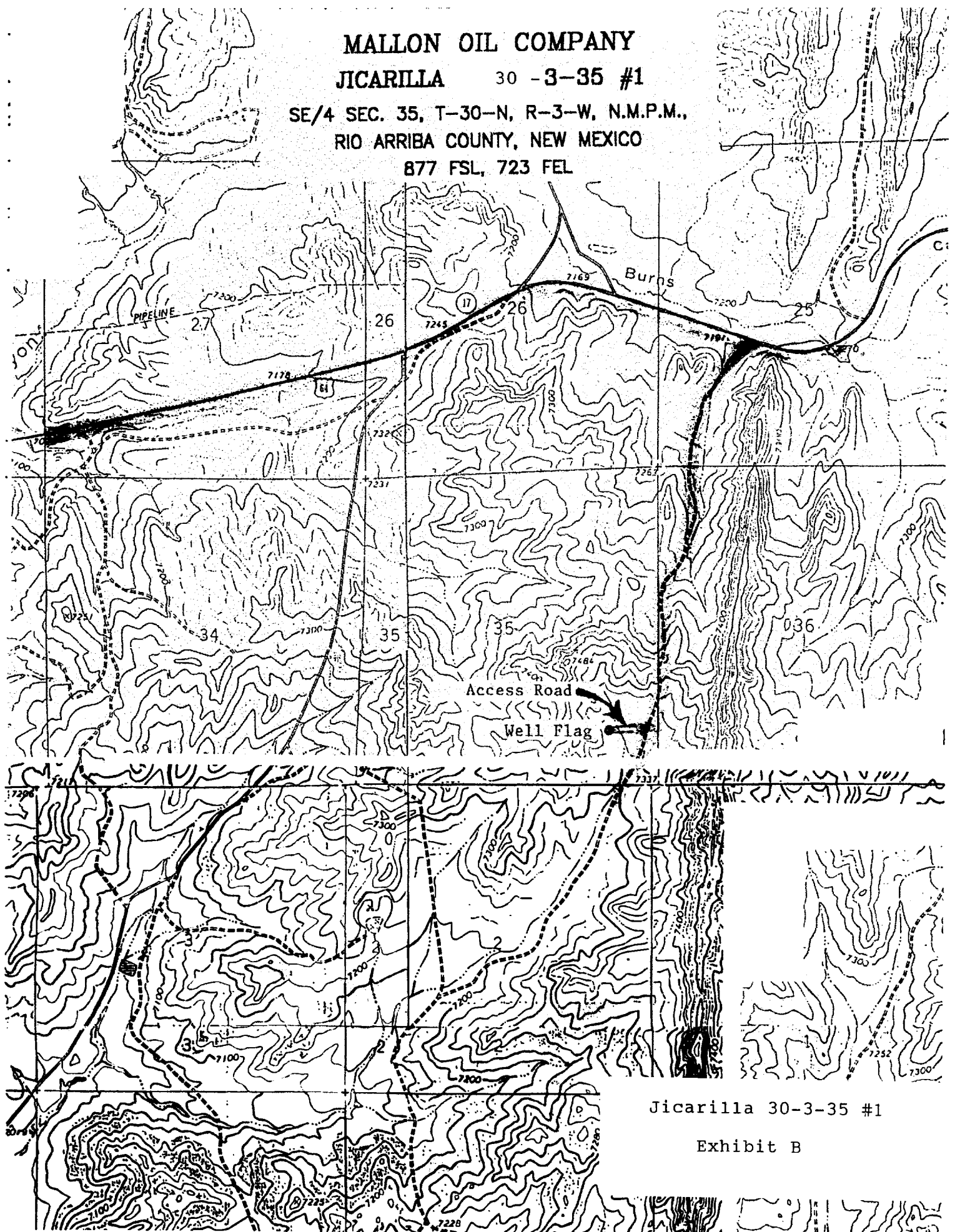
MALLON OIL COMPANY

JICARILLA 30 -3-35 #1

SE/4 SEC. 35, T-30-N, R-3-W, N.M.P.M.,

RIO ARriba COUNTY, NEW MEXICO

877 FSL, 723 FEL



Jicarilla 30-3-35 #1

Exhibit B