

CONFIDENTIAL

Form 3160-3  
(July 1992)

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"/>		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 30-3-27 #3	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *) At surface 2038' FNL and 1823' FWL (SE/NW) Unit F		9. API WELL NO. 30-039-2611	
At proposed prod. zone 2038' FNL and 1823' FWL (SE/NW) Unit F		10. FIELD AND POOL, OR WILDCAT E. Blanco, Pictured Cliffs	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE * 53 miles east of Bloomfield, New Mexico		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 27, T30N-R03W	
15. DISTANCE FROM PROPOSED * LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 2038'		12. COUNTY OR PARISH Rio Arriba	
16. NO. OF ACRES IN LEASE 39,360		13. STATE NM	
17. NO. OF ACRES ASSIGNED TO THIS WELL 160		18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2263'	
19. PROPOSED DEPTH 4500'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (SHOW WHETHER OF, RT, GR, Etc.) 7107' GR		22. APPROX DATE WORK WILL START 12/21/98	
23. PROPOSED CASING AND CEMENTING PROGRAM			
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
12-1/4"	8-5/8"	24#	500'
7-7/8"	5-1/2"	15.5#	4500'

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: 12/14/98  
[Signature] Lindeman

(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 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.

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# **Multi-Point Surface Use and Operation Plan**

Attached to Form 3160-3

Mallon Oil Company

**Jicarilla 30-3-27 #3**

2038' FNL and 1823' FWL, (SE/NW) Unit F

Sec. 27, T30N-R3W

Rio Arriba County, New Mexico

**LEASE NUMBER:** MDA 701-98-0013

## **1. Existing roads:**

- A. The well site and elevation plat for the proposed well is shown in Exhibit A. It was staked by Daggett Enterprises, Inc., Farmington, NM.
- B. All roads to the location are shown in Exhibit B. The existing roads are illustrated in pink and are adequate for travel during drilling and production operations. Upgrading of the road prior to drilling will be done where necessary as determined during the onsite inspection.
- C. Directions to location: From Bloomfield, New Mexico, travel east on Highway 64 for 54 miles to J12. Turn left and travel approximately 500 feet. Turn left and travel approximately 1.2 miles to location.
- D. Routine grading and maintenance of existing roads will be conducted as necessary to maintain their condition as long as any operations continue on this lease.

## **2. Proposed access road:**

Exhibit B shows the new access road to be constructed and is illustrated in yellow. The road will be constructed as follows:

- A. The maximum width of the running surface will be 15'. The road will be crowned and ditched. Ditches will be at 3:1 slope and 4 feet wide. Water will be diverted where necessary to avoid ponding, prevent erosion, maintain good drainage, and to be consistent with local drainage patterns.
- B. The average grade will be less than 1%.
- C. No turnouts are planned.
- D. No culverts, gates, or fence cuts are necessary.
- E. A low water crossing will be utilized to cross natural drainages.
- F. Surfacing material will consist of native soil. Any additional materials that are required will be purchased from the dirt contractor.
- G. The proposed access road as shown in Exhibit B has been center line flagged by Daggett Enterprises, Inc., Farmington, NM.

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

Form C-102  
Revised February 21, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-039-26111	Pool Code 72400	Pool Name East Blanco; Pictured Cliffs
Property Code 24237	Property Name JICARILLA 30-3-27	Well Number 3
OGRD No. 013925	Operator Name MALLON OIL COMPANY	Elevation 7107'

10 Surface Location

UL or lot no. F	Section 27	Township 30-N	Range 3-W	Lot Idn	Feet from the 2038	North/South line NORTH	Feet from the 1823	East/West line WEST	County RIO ARriba
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11 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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Dedicated Acres 160	Joint or Infill	Consolidation Code	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 89-39-27 E 5218.0'

FD. U.S.G.L.O. B.C. 1917	1305.0'	SET P&C L.S. 8894	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature T. G. Lindeman Printed Name Operations Superintendent Title December 14, 1998 Date
1823'	2038'	27	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 belief.  Date of Survey Signature and Seal of Professional Surveyor 8894 Certificate Number
5266.0'			
N 0-12-10 E			
SET P&C L.S. 8894			

2038 FNL, 1823 FWL

JIC. 30-3-27 #4

- ACCESS ROAD

JIC. 30-3-27 #3

Exhibit B