

CONFIDENTIAL

Form 3160-3  
(July 1992)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTSUBMIT 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 ☒Deepen ☐

## b. TYPE OF WELL

Oil Well ☐Gas Well ☒Other ☐Single Zone ☐Multiple Zone ☐

## 2. NAME OF OPERATOR

Mallon Oil Company

## 3. ADDRESS AND TELEPHONE NO.

P.O. Box 2797

Durango, CO 81302

(970) 382-9100

## 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface 775' FNL and 867' FWL (NW/NW) Unit D

At proposed prod. zone 775' FNL and 867' FWL (NW/NW) Unit D

## 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE \*

53 miles east of Bloomfield, New Mexico

## 15. DISTANCE FROM PROPOSED \*

LOCATION TO NEAREST 3520'

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

## 18. DISTANCE FROM PROPOSED LOCATION \*

TO NEAREST WELL, DRILLING, COMPLETED, 1509'

OR APPLIED FOR, ON THIS LEASE, FT.

## 21. ELEVATIONS (SHOW WHETHER DF, RT, GR, Etc.)

7124' GR

## PROPOSED CASING AND CEMENTING PROGRAM

## 23.

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

## 5. LEASE DESIGNATION AND SERIAL NO.

MDA 701-98-0013

## 6. IF INDIAN, ALLOTTEE OR TRIBE NAME

Jicarilla Apache

## 7. UNIT AGREEMENT NAME

N/A

## 8. FARM OR LEASE NAME, WELL NO.

Jicarilla 30-3-34 #3

## 9. API WELL NO.

30-039-26117

## 10. FIELD AND POOL, OR WILDCAT

E. Blanco, Pictured Cliffs EXT

## 11. SEC., T., R., M., OR BLK.

AND SURVEY OR AREA

Sec. 34, T30N-R03W

## 12. COUNTY OR PARISH

Rio Arriba

## 13. STATE

NM

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:

Jerry Lindeman

TITLE: Operations Superintendent

DATE: 12/14/98

(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:

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.

HOLD C104 FOR NSA

CONFIDENTIAL

Mallon Oil Company

**Jicarilla 30-3-34 #3**

775' FNL and 867' FWL, (NW/NW) Unit D

Sec. 34, 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 approximately 53 miles. Turn right and travel approximately 0.1 miles. Turn right and travel approximately 0.1 miles. Turn left and travel 0.2 miles. Turn right 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 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

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

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30039-26117	<sup>2</sup> Pool Code 72400	<sup>3</sup> Pool Name East Blanco; Pictured Cliffs EXT
<sup>4</sup> Property Code 24236	<sup>5</sup> Property Name JICARILLA 30-3-34	<sup>6</sup> Well Number 3
<sup>7</sup> GRID No. 013925	<sup>8</sup> Operator Name MALLON OIL COMPANY	<sup>9</sup> Elevation 7124'

### <sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	34	30-N	3-W		775	NORTH	867	WEST	RIO ARRIBA

### <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

<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

SET 1/2" REBAR W/PLAST.  
CAP "LS# 8894"

N 88-41-55 E S229.10'

	<b>17 OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature: <u>T. G. Lindeman</u> Printed Name: <u>T. G. Lindeman</u> Title: <u>Operations Superintendent</u> Date: <u>December 14, 1998</u>	
	<b>18 SURVEYOR CERTIFICATION</b> 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 Sign: <u>11-6-98</u> Signature and Seal of Professional Surveyor: <u>ROY A. RUSH</u> Certificate Number: <u>8894</u>	

FD. MARKED STONE

N 00-10-03 E S286'

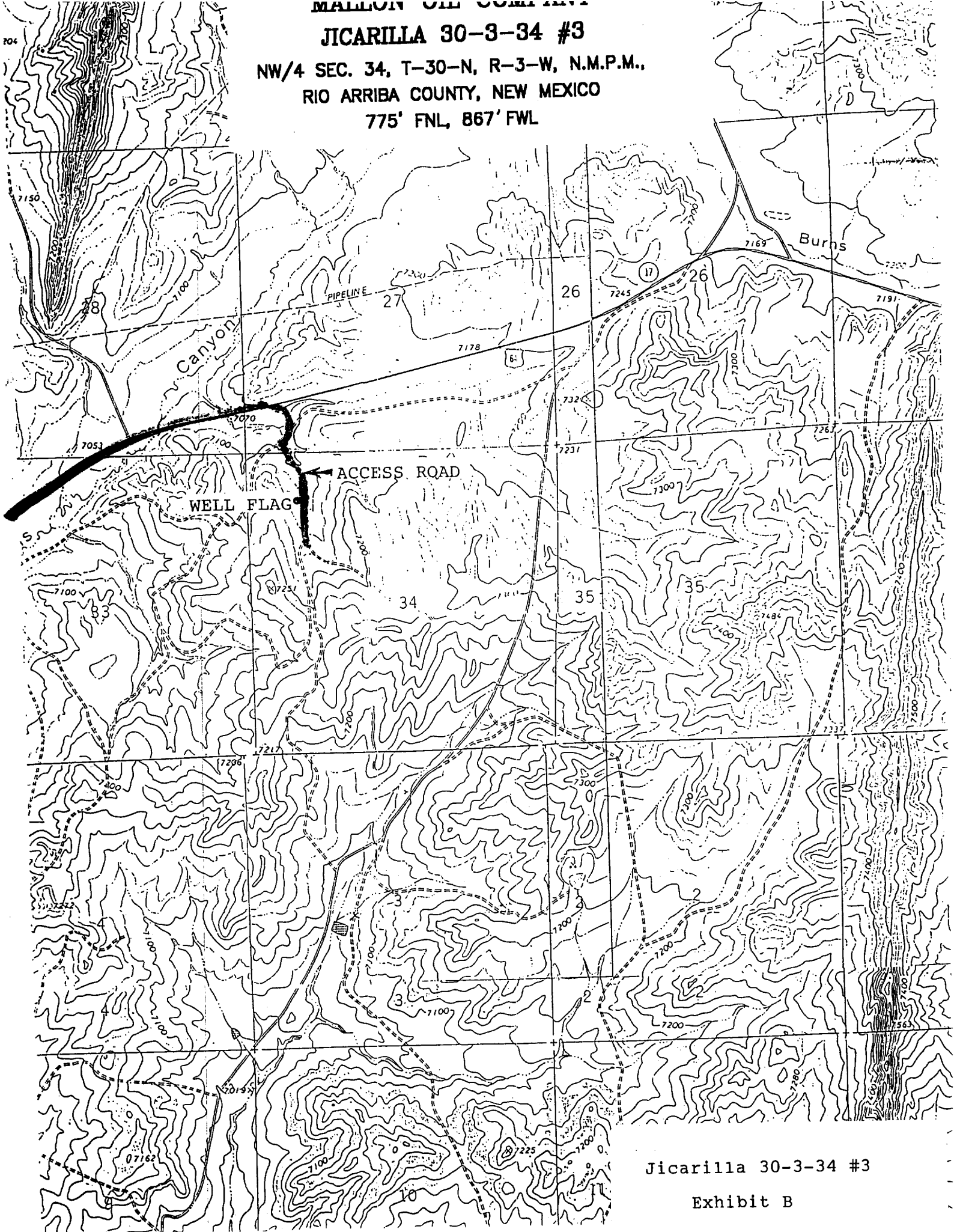
MALCOLM C. CUMMINGS

# JICARILLA 30-3-34 #3

NW/4 SEC. 34, T-30-N, R-3-W, N.M.P.M.,

RIO ARriba COUNTY, NEW MEXICO

775' FNL, 867' FWL



Jicarilla 30-3-34 #3

Exhibit B