

CONFIDENTIAL

Form 3160-3
(July 1992)

RECEIVED
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

b. TYPE OF WELL

Oil Well ☐

Gas Well ☒

Other ☐

Drill ☒ ALBUQUERQUE, N.M. Deepen ☐

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

686' FSL and 1406' FEL (SW/SE) Unit O

At proposed prod. zone 686' FSL and 1406' FEL (SW/SE) Unit O

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

50 miles east of Bloomfield, New Mexico

15. DISTANCE FROM PROPOSED *

LOCATION TO NEAREST

686'

PROPERTY OR LEASE LINE, FT.

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

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

100'

21. ELEVATIONS (SHOW WHETHER OF, RT, GR, Etc.)

7008' GR

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"

4-1/2"

14.7#

1800'

300 sks 50/50 Poz w/additive

Mallon Oil Co. proposes to drill this well to an approximate TD of 1800' in the San Jose formation. This well is placed on an existing well pad. Some additional pad extension may be required. The Jicarilla oil and Gas Administration has waived any necessity of re-onsiting the well pad as long as any required archaeology survey is submitted. Environmental assessment was previously submitted under the initial well APD. If productive, 4-1/2" 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 Preventer 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: Archaeology Report

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:

Terry Lindeman

TITLE: Operations Superintendent

DATE: 07/26/99

(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:

Stephen Fischer

TITLE

Acting
Asst Field Mgr

DATE

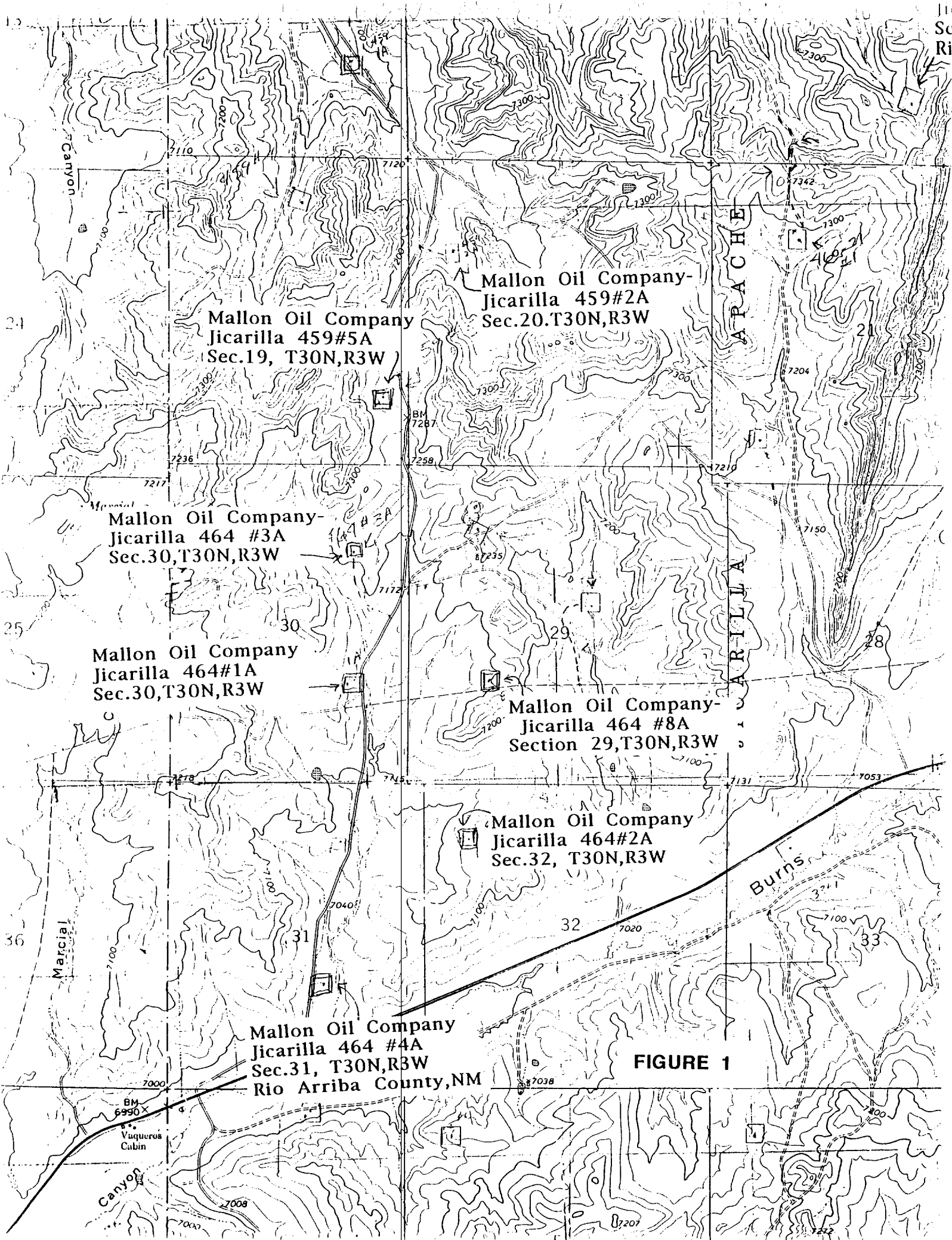
10/4/99

*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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FD. U.S.G.L.O. BC. 1917	17	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief
RECEIVED OCT - 8 1999 OIL CON. DIV. DIST. 3	Signature Terry Lindeman Printed Name Operations Superintendent	Title July 26, 1999 Date
7	5115.5'	18
EXISTING WELL	1406'	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.
FD. U.S.G.L.O. BC. 1917	S 89° 52' 42" E 4,097.70'	ROY A. RUSH NEW MEXICO REGISTERED PROFESSIONAL LAND SURVEYOR 8894 Date of Survey Signature and Title of Professional Surveyor 8894 Certificate Number



Mallon Oil Company
Jicarilla 459#5A
Sec.19, T30N,R3W

Mallon Oil Company-
Jicarilla 459#2A
Sec.20,T30N,R3W

Mallon Oil Company-
Jicarilla 464 #3A
Sec.30,T30N,R3W

Mallon Oil Company
Jicarilla 464#1A
Sec.30,T30N,R3W

Mallon Oil Company-
Jicarilla 464 #8A
Section 29,T30N,R3W

Mallon Oil Company
Jicarilla 464#2A
Sec.32, T30N,R3W

Mallon Oil Company
Jicarilla 464 #4A
Sec.31, T30N,R3W
Rio Arriba County,NM

FIGURE 1

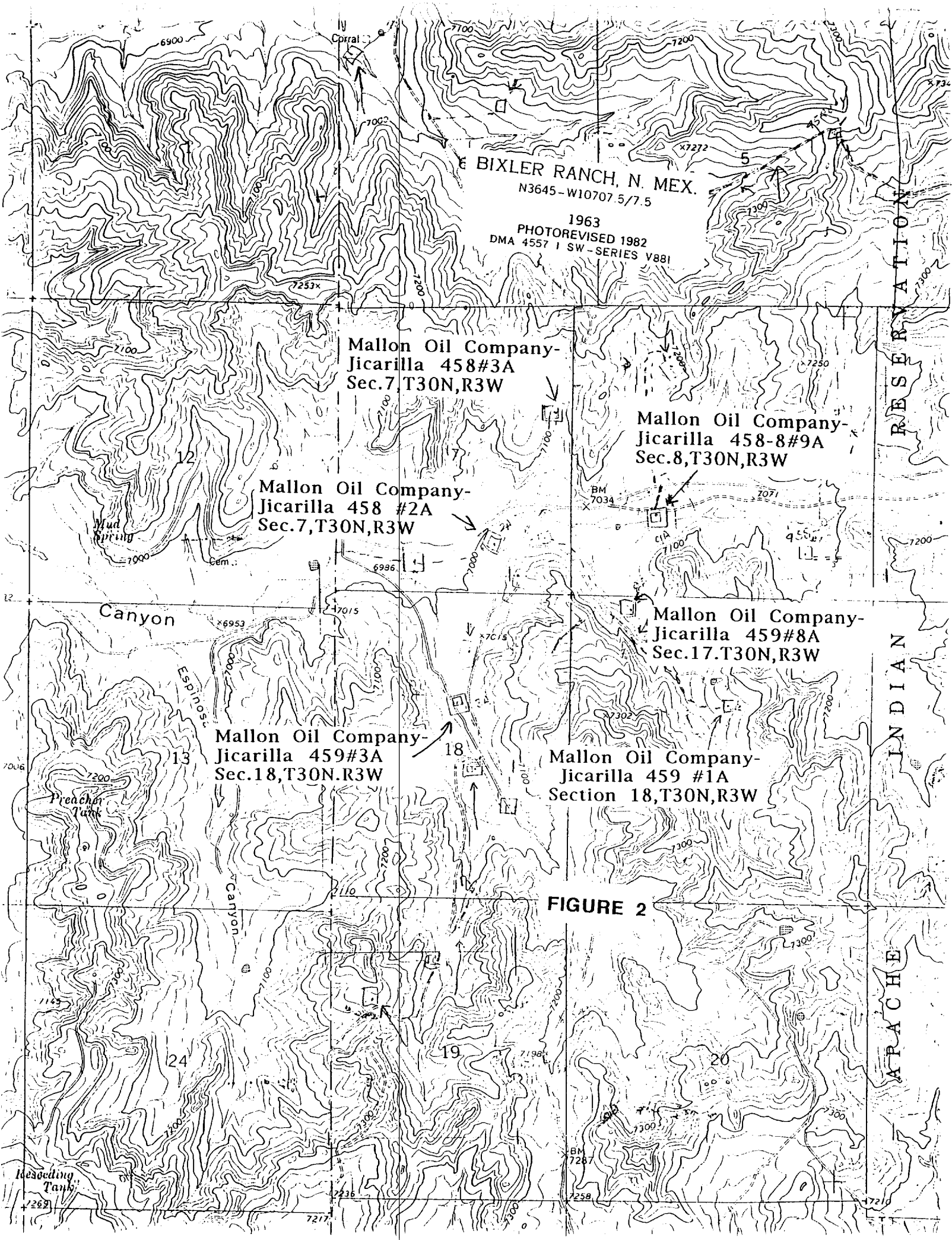


FIGURE 2