

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. JIC 460	
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 460 SJ No.2	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 787' FSL and 987' FWL (SW/SW) Unit M		9. API WELL NO. 30-039-26229	
At proposed prod. zone 787' FSL and 987' FWL (SW/SW) Unit M		10. FIELD AND POOL, OR WILDCAT Capresto Canyon, San Jose ext.	
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. 21, T30N-R03W	
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 787'		12. COUNTY OR PARISH Rio Arriba	
16. NO. OF ACRES IN LEASE 1,920		13. STATE NM	
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 100'		17. NO. OF ACRES ASSIGNED TO THIS WELL 175.86	
19. PROPOSED DEPTH 1800'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, Etc.) 7187' GR		22. APPROX. DATE WORK WILL START 08/01/99	
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"	4-1/2"	14.7#	1800'
		QUANTITY OF CEMENT	
		Circulate to surface	
		300 sks 50/50 Poz w/additives	

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 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: 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.

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SIGNED: Ferry Lindeman TITLE: Operations Superintendent

DATE: 07/05/99

(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: Joan R. Resnick TITLE: Asst Field Mgr DATE: 08/02/99

*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.

NSL-4355 @

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DISTRICT II
P.O. Drawer DD, Artesia, N.M. 88211-0719DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410DISTRICT IV
PO Box 2088, Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, NM 87504-2088Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-26229		*Pool Code 96822	*Pool Name Cabresto Canyon; San Jose ext.
*Property Code 24941	*Property Name JICARILLA 460 S.J.		*Well Number #2
*OGRID No. 13925	*Operator Name MALLON OIL COMPANY		*Elevation 7187

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	21	30-N	3-W		787	SOUTH	987	WEST	RIO ARRIBA

11 Bottom Hole Location If Different From Surface

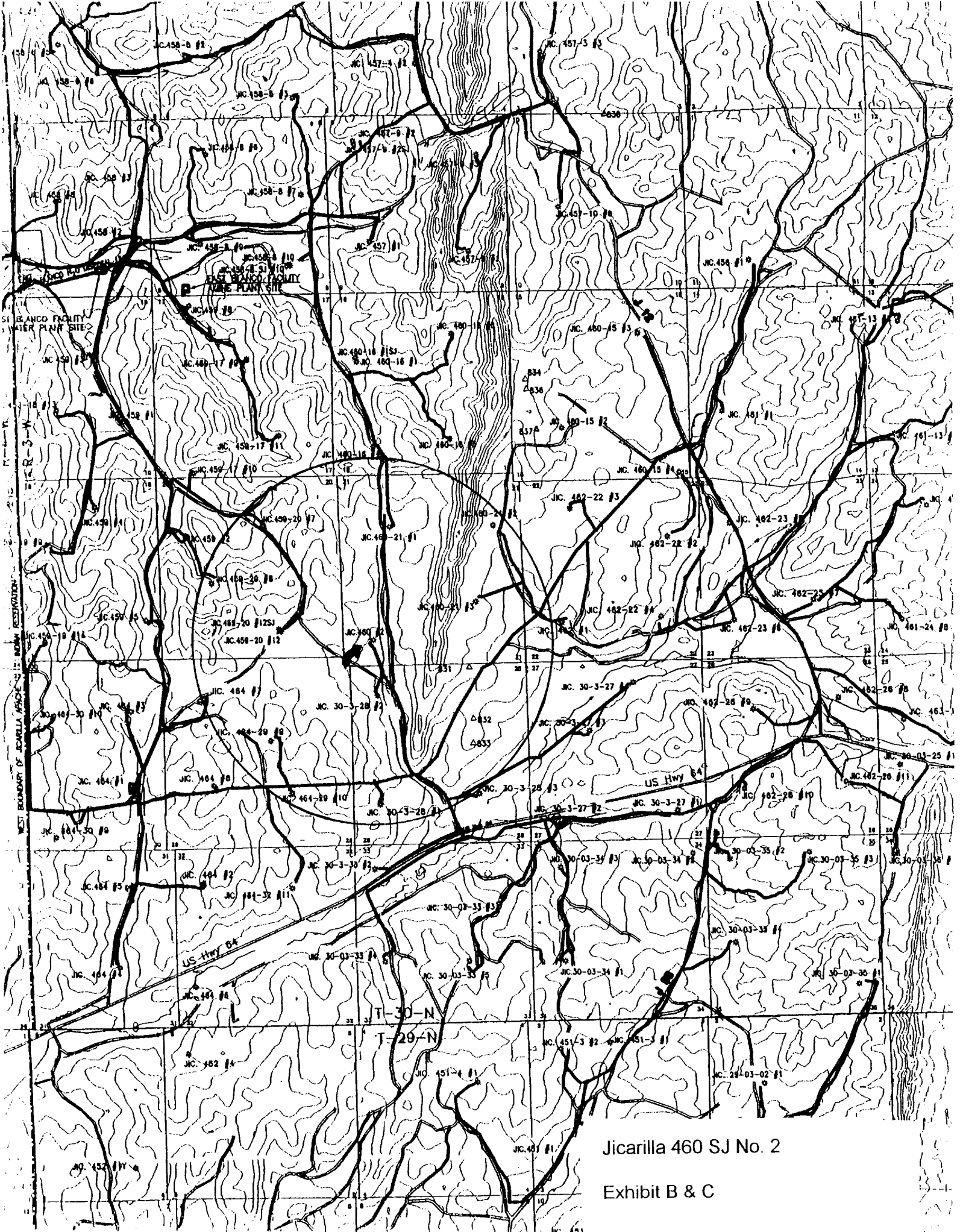
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 175.96	13 Joint or Infill	14 Consolidation Code	15 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

1917 G.L.O. B.C.

16	5551.3	N 00-00-35 W	21	987'	787'	1917 G.L.O. B.C.	N 89-34-54 E	5495.7'	1917 G.L.O. B.C.	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Terry Lindeman Printed Name Operations Superintendent Title July 5, 1999 Date
										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. 7-21-99 Date of Survey Signature and Seal of Professional Surveyor: ROY A. RUSH NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR 8894 Certificate Number



Jicarilla 460 SJ No. 2

Exhibit B & C