CONFIDENTIAL

FORM APPROVED Form 3160-3 UNITED STATES OMB NO. 1004-0136 (July 1992) (Other instructions on DEPARTMENT OF THE INTERIOR Expires February 28, 1995 reverse side) BUREAU OF LAND MANAGEMENT 5. LEASE DESIGNATION AND SERIAL NO. APPLICATION FOR PERMIT TO DRILL OR DEEPEN JIC 460 1a. TYPE OF WORK 6. IF INDIAN, ALLOTTEE OR TRIBE NAME Jicarilla Apache Drill X Deepen TYPE OF WELL 7. UNIT AGREEMENT NAME X Single Zone Multiple Zone Oil Well Gas Well 2. NAME OF OPERATOR 8. FARM OR LEASE NAME, WELL NO Jicarilla 460 SJ No.2 Mallon Oil Company 3. ADDRESS AND TELEPHONE NO API WELL NO. 30-0 P.O. Box 2797 Durango, CO 81302 (970) 382-9100 FIELD AND POOL OR WILDCAT 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*) bresto Canyon, San Jose ext 787' FSL and 987' FWL (SW/SW) Unit M SEC., T., R., M., OR BLK. At surface D SURVEY OR AREA At proposed prod. zone 787' FSL and 987' FWL (SW/SW) Unit M Sec. 21, T30N-R03W 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE Rio Arriba COUNTY OR PARISH 13. STATE UNIO 53 miles east of Bloomfield, New Mexico MM 16. NO. OF ACRES IN LEASE 10 17. NO. OF ACRES ASSIGNED 15. DISTANCE FROM PROPOSED \* 787 TO THIS WELL LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 1.920 (Also to nearest drig. unit line, if any) 20. ROTARY OR CABLE TOOLS 18. DISTANCE FROM PROPOSED LOCATION® 19. PROPOSED DEPTH 100 1800' TO NEAREST WELL, DRILLING, COMPLETED, Rotary OR APPLIED FOR, ON THIS LEASE, FT 7187' GR 08/01/99 21. ELEVATIONS (SHOW WHETHER DF, RT, GR, Etc.) 22. APPROX.DATE WORK WILL START 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 300 sks 50/50 Poz w/additives 7-7/8" 4-1/2" 14.7# 1800 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** Blow Out Preventor Equipment/Plan Exhibit D: **Drilling Site Layout** Exhibit 1: **Production Facilities** Exhibit A: Location and Elevation Plat Exhibit E: Roads and Pipelines Exhibit F: **H2S Contingency Plan** Exhibit B: Exhibit C: One Mile Radius Map 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. to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any TITLE: Operations Superintendent ,07/05/99 DATE **Ferry** Lindeman (This space for Federal or State office use) PERMIT NO 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 \*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@

CONFIDENTIAL

5.0. box 1980, Hobbs, N.M. 88241-1980

DINTE OF MEN MEYICO Energy, Minerals & Natural Resources Department

Revised Febuary 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

## DISTRICT D P O. Drawer DD, Artesda, N.M. 88211-0719

DISTRICT III 1000 Rto Brazos Rd., Azlec, N.M. 87410

OIL CONSERVATION DIVISION

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

T AMENDED DEPOPT

**Property Code**  **Property Code**  **Jeg 4/*  **Property Code**  **Jeg 4/*  **Jeg 4/*  **Jeg 5/*  **Jeg 5/*  **Jeg 6/*  **Jeg 6/*			B7604-20B8	WELL	LOCAT	TION AND	AC	REAGE DED	CATION			NDED REPORT
**Property Name **JUCARRILLA 460 S.J. **JUCA		*Pool Code						* Pool	Name			
JICARILLA 460 S.J.  ***Portation Name**   13975		600	/									
**************************************	24941									• 1		
UIL or lot no.   Section   Township   Bange   Lot life   Feet from the   North/South line   Feet from the   Section   Surface   Surface		-								* Elevation		
uli or lot no. Section   Section   South   Peet from the   SOUTH   987   WEST   RIO ARRIBA    Ill or lot no. Section   Towaship   Range   Lot lide   Feet from the   SOUTH   987   WEST   RIO ARRIBA    Ill or lot no. Section   Towaship   Range   Lot lide   Feet from the   North/South line   Feet from the   Seet/West line   County    Indicated Acres   "Joint or Infill " Councidation Code   "Order No.   175   West   The Councidation Code   "Order No.   175   West   The DIVISION    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    If QUERT   The Councidation Code   "Order No.   1999   The DIVISION    If OPERATOR CERTIFICATION   James or order to the lost of my innections and heliquidation of the lost of my innections and heliquidation code   The Councidation of the lost of my innections and heliquidation   The Councidation of the lost of the los	1_13700											/18/
Il cor lot no Section Township Range Lot lide Feet from the North/South line Feet from the East/West line Countly  Thedicated Acres Signature Infill Consolidation Code Countly  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  OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION  17 OPERATOR CERTIFICATION Interest of the last of my innockedge and last grant and the same operations. Superintender Title  July 5, 1999  Date  21 Surveyor Certification on the plant of the same operations on the plant of the same operations on the plant of the same operations on the plant of the same of the same operations on the plant of the same plant of the same and of the same plant of the same and the same and the same as the same and the same and the same as the same and the same as the same and the same as the same as the same as the same and the same as the	UL or lot po. S	ection	Township	Range	Lot I	Suri	ace		Real from	ha Rad /W		Т
II. or lot no Section Township Range Lot ide Feet from the North/South line Peet from the East/West line County  175 %  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  17 OPERATOR CERTIFICATION I America correction in the idea of my knowledge and balls of my balls from field instead of subant correct to the best of my my knowledge and balls of my balls from field instead of subant correct to the best of my balls of four most of subant correct to the best of my balls of four most of subant correct to the best of my balls of four most of subant correct to the best of my balls of four most of the plat was published from field in the most of subant correct to the best of my balls of four most of subant correct to the best of my balls of four most of subant correct to the best of my balls of four most of subant correct to the best of my balls of four most of subant correct to the best of my balls of four most of subant correct to the best of my balls of four most of subant correct to the best of my balls of four most of subant correct to the best of my balls of four most of subant correct to the ball balls of four most of subant correct to the ball balls of four most of subant correct to the ball balls of four most of subant correct to the ball balls of four most of subant correct to the ball balls of the ba	М	21	-	3-W		787		1	1	1 '		1 1
Porticated decree of foint or Inful of Consolidation Code of Order No.  175 W 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  17 OPERATOR CERTIFICATION Interest of the last deformation consisted haven to from and complete to the last of my Innoceepes and being Unit of the last of my Innoceepes and	III on lot on 1 and 1 an											
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  17 OPERATOR CERTIFICATION 1 Arrive correctly that the information concluded herein is frue and complete to the best of my knowledge and being DIVISIT.  21 DIVISIT.  21 DIVISIT.  21 DIVISIT.  22 Date of Burny supervision, and the plat we worked the the set of the set o	or or ior no. S.	ecuon	Township	Range	Lot Id	in   Feet from	the	North/South line	Peet from	the East/W	est line	County
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  17 OPERATOR CERTIFICATION 1 Arraby cartify that the information consisted harpen in true and complete is the best of my immediage and being DIVISION  DISTIL 3  DIVISION DIVISION  18 SURVEYOR CERTIFICATION 1 Arraby cartify that the until location above on this plat our platted from page of the unit and that the array mode by my or overeit is the best of my and the fact of such all arrays mode by my overeit is the best of my approvious of true and correct is the best of my approvious to true and correct is the best of my approvious to true and correct is the best of my approvious to true and correct is the best of my approvious to true and correct is the best of my approvious to true and correct is the best of my approvious to true and correct is the best of my approvious to true and correct is the best of my approvious to true and correct is the best of my approvious to the plant arrays mode by my approvious to the page of	Dedicated Acres	Joint o	or Infill 14	Consolidati	on Code	"Order No.		<u> </u>			<del></del>	
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION  17 OPERATOR CERTIFICATION 1 Arrely certify that the deformation conscissed herein to true and complete to the best of my immediate and being DIVISION  OCT - 1999  Signature  Terry Lindeman Printed Name  Printed Name  19 SURVEYOR CERTIFICATION 1 Arrely certify that the util location above no that path was possible from fails that for shall stand of machine many saids by an or warder my appreciate, and that he same is true and correct to the best of my my and the same is true and correct to the best of my my and the same is true and correct to the best of my	·				·			·				
17 OPERATOR CERTIFICATION  I harring certify that the information contained barrin to frue and complete to the best of my immediate and being  OCI - 1999  Signature  Terry Lindeman  Perinted Name  Operations Superintender  Tule  July 5, 1999  Date  18 SURVEYOR CERTIFICATION  I harring certify that the sail location shows on this plat  too platted from field nates of natural surveys made by m  or under my appreciation and that the same to frue and  over under my appreciation and that the same to frue and  over the field to the best of my that  A A Cartificate Number  8894  Cartificate Number	NO ALLOWAB	ILE W.	ILL BE A OR A 1	ASSIGNE Non-st	D TO ANDAR	THIS COMP D UNIT HA	LETION S BE	ON UNTIL ALL EEN APPROVED	INTEREST BY THE	S HAVE I	BEEN C	ONSOLIDATED
DIT - 1999  OIL GOM: DIV:  DISTA  21  OPERATOR CERTIFICATION I harvely certify that the automation concluded write is frue and complete to the best of my bandedge and being Signature Terry Lindeman Printed Name Operations Superintender Tills July 5, 1999 Data  18 SURVEYOR CERTIFICATION I harvely certify that the stall incident whom on this plat man pointed from finds notes of extent acrosps made by m or under my regarded on, and that the same is true and correct to the best of my.  Date of Burne  Bignature and Edge at Pacingsignal biffer or:  8894  Certificats Mumber	917 G.L.O. B.C.									DIVISION	<del></del>	
Signature Terry Lindeman Printed Name Operations Superintender Title July 5, 1999 Thate  18 SURVEYOR CERTIFICATION I have geriffy that the usell location shown at the plat uses plotted from field plat of more and the plat uses plotted from field plate of more and the plat or winder my supervision, and that the same is true and correct to the best of my.  Page 17  Bagnature  Terry Lindeman  Printed Name Operations Superintender Title July 5, 1999 Thate  18 SURVEYOR CERTIFICATION I have geriffy that the usell location shown and they plat uses plotted from field best of my and the same is true and correct to the b						DE@	e		I hareb	y certify that th	a informatic	on contained herein is
Operations Superintender Title July 5, 1999  Date  18 SURVEYOR CERTIFICATION I hereby cartify that the well location shown on that plat was plotted from field retain of school surveys made by m or under my superintend, and that the same is true and correct to the best of my true and correct to the best of my true and the same is frue and the same is						001	E.	1 1999 1 1999			2 D	
July 5, 1999  Date  18 SURVEYOR CERTIFICATION  I hereby certify that the until location shown on this plat was plotted from field notes of school surveys made by m or under my supervision, and that the came is true and correct to the best of my true  Date of Burne  Bigunture an See of Fadigigus hirve ar.  1987  Cartifloste Number							4- 5- 4	ALTERNATION OF PARTY SERVICE	<u>0pe</u>			<u>erintend</u> er
18 SURVEYOR CERTIFICATION  I hereby certify that the usell location shown on this plat uses plated from field noise of actual curves made by m or under my supervision, and that the same is true and correct to the best of my Correct  Bignature an Sin of Fatigings introduct  10.0. B.C.  18 SURVEYOR CERTIFICATION  I hereby certify that the usell location shown on this plat uses plated from field noise of actual curves water my or under my supervision, and that the same is true and correct to the best of my Correct  Bignature an Sin of Fatigings infra- Bignature and Sin of Fati	· · · · · · · · · · · · · · · · · · ·				- 21		ne) No		Ju1	y 5, 19	999	
I hereby certify that the well location shown on this plat wos plotted from field notes of actual surveys made by m or under my supervision, and that the same is true and correct to the best of my Thy A.  Date of Survey  Bignature and San at Faringages surveys.  Signature and San at Faringages surveys.  Signature and San at Faringages surveys.  Certificate Number	<b>:</b>								ļ	SURVEYO	D CEE	PTIFICATION
Barture an See of Portagional Effector:  Bignature an See of Portagional Effector:  BLO. B.C.  Barture an See of Portagional Effector:  Barture an See of Portagional Effet Affector:  Barture an See of							Į			certify that the	usell locati	on shown on this plat
8894 Certificate Number	<u> </u>	}							Data	of Stures of Section of Sture and Section of	8894	
	)		N 8	19-34-54	E	5495.7'			Cortif	88		

