

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 DEEPEN

b. TYPE OF WELL Gas Well ☒ Oil 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 771' FSL and 1198' FWL (SW/SW) Unit M
At proposed prod. zone 771' FSL and 1198' FWL (SW/SW) Unit M

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
52 miles east of Bloomfield, New Mexico

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
1198'
(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 DF, RT, GR, Etc.) 7251' GR

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
<u>12-1/4"</u>	<u>8-5/8"</u>	<u>24#</u>	<u>250' 500'</u>	<u>Circulate to surface</u>
<u>7-7/8"</u>	<u>4-1/2"</u>	<u>14.7#</u>	<u>1800'</u>	<u>300 sks 50/50 Poz w/additive</u>

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-siting 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.

SIGNED: Terry Lindeman

TITLE: Operations Superintendent

DATE: 07/26/99

(This space for Federal or State office use)

PERMIT NO. _____

APPROVAL DATE 10/19/99

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 L. Erick

TITLE: Asst Field Mgr

DATE _____

*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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NEL-4355 (E)

DISTRICT I
P.O. Box 1980, Hobbs, N.M. 88241-1980

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-26238		*Pool Code 96822	*Pool Name Cabresto Canyon; San Jose ext.
*Property Code 23626	*Property Name JICARILLA 460-16SJ		*Well Number 4
*OCRID No. 13925	*Operator Name MALLON OIL CO.		*Elevation 7251'

¹⁰ Surface Location



UL or lot no. M	Section 16	Township 30-N	Range 3-W	Lot Idn	Feet from the 771	North/South line SOUTH	Feet from the 1198	East/West line WEST	County RIO ARriba
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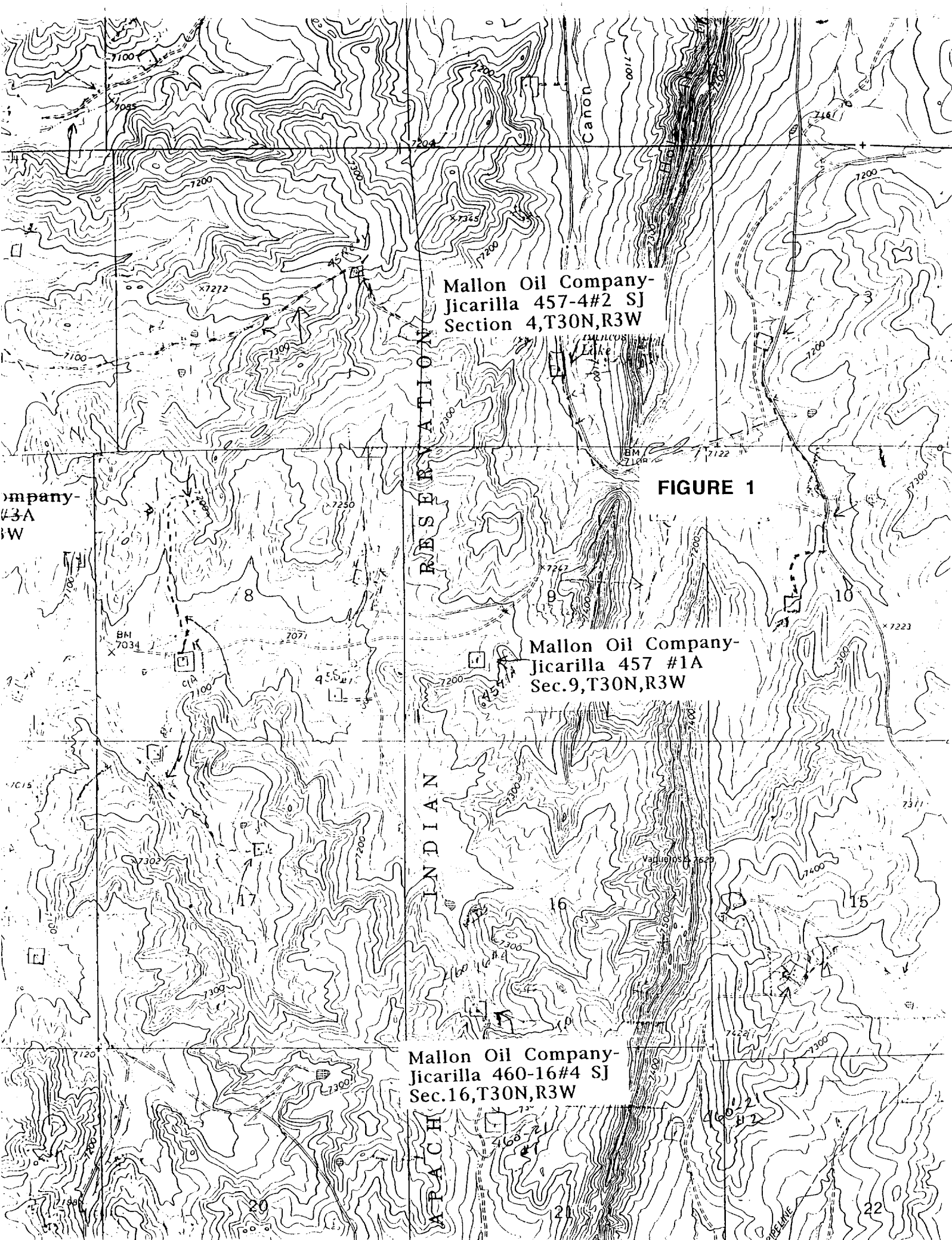
¹¹ Bottom Hole Location If Different From Surface

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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¹² Dedicated Acres 160	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

<div>16</div> <div>U.S.G.L.O. B.C. 1917</div> <div>N 00° 06' 47" E 2640.3'</div> <div>1198'</div> <div>771'</div> <div>EXISTING WELL</div> <div>FD. U.S.G.L.O. B.C. 1917</div> <div>S 89° 57' 00" E 5304.3'</div>	<div>RECEIVED</div> <div>OCT 20 1999</div> <div>OIL CON. DIV.</div> <div>DIST. 3</div>	<div>17 OPERATOR CERTIFICATION</div> <div>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</div> <div></div> <div>Signature</div> <div>Terry Lindeman</div> <div>Printed Name</div> <div>Operations Superintendent</div> <div>Title</div> <div>July 26, 1999</div> <div>Date</div>
		<div>18 SURVEYOR CERTIFICATION</div> <div>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.</div> <div>7-8-99</div> <div>Date of Survey</div> <div></div> <div>Signature and Seal of Professional Surveyor</div> <div>NEW MEXICO</div> <div>REGISTERED PROFESSIONAL LAND SURVEYOR</div> <div>8894</div> <div>Certificate Number</div>



Mallon Oil Company-
Jicarilla 457-4#2 SJ
Section 4,T30N,R3W

FIGURE 1

Mallon Oil Company-
Jicarilla 457 #1A
Sec.9,T30N,R3W

Mallon Oil Company-
Jicarilla 460-16#4 SJ
Sec.16,T30N,R3W