CONFIDENTIAL

Form 3160-3 FORM APPROVED UNITED STATES (July 1992) (Other instructions on OMB NO. 1004-0136 DEPARTMENT OF THE INTERIOR reverse side) Expires February 28, 1995 BUREAU OF LAND MANAGEMENT 5. LEASE DESIGNATION AND SERIAL NO. APPLICATION FOR PERMIT TO DRILL OR DEEPEN JIC 457 1a. TYPE OF WORK 6. IF INDIAN, ALLOTTEE OR TRIBE NAME Drill X Deepen Jicarilla Apache b. TYPE OF WELL 7. UNIT AGREEMENT NAME Oil Well Gas Well X Single Zone Multiple Zone 2. NAME OF OPERATOR 8. FARM OR LEASE NAME, WELL NO Mallon Oil Company Jicarilla 457SJ No. 1 3. ADDRESS AND TELEPHONE NO P.O. Box 2797 Durango, CO 81302 (970) 382-9100 10. FED MD POOL, OR WILDCAT Cabresto Canyon, San Jose ex 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) 1498' FSL and 1244' FWL (NW/Sw) Unit L 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA At proposed prod. zone 1498' FSL and 1244' FWL (NW/SW) Unit L Sec. 9, T30N-R03W 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE Dudi. 3 12. COUNTY OR PARISH 13. STATE 51 miles east of Bloomfield, New Mexico Rio Arriba NM 15. DISTANCE FROM PROPOSED * 16. NO. OF ACRES IN LEASE 17. NO. OF ACRES ASSIGNED LOCATION TO NEAREST 1244' TO THIS WELL PROPERTY OR LEASE LINE, FT. 2.560 156 (Also to nearest drlg. unit line, if any) 18. DISTANCE FROM PROPOSED LOCATION* 19. PROPOSED DEPTH 20. ROTARY OR CABLE TOOLS TO NEAREST WELL, DRILLING, COMPLETED, 100' 1800 OR APPLIED FOR, ON THIS LEASE, FT. Rotary 21. ELEVATIONS (SHOW WHETHER DF, RT, GR, Etc.) 7158' GR 22. APPROX.DATE WORK WILL START 08/15/99 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 5.5. and abandoned in a manner consistent with Federal regulations. Specific programs as per on-shore Ōil and Gas Order No. 1 are outlined in the following attachments: **Drilling Program** Blow Out Preventor Equipment/Plan Exhibit 1: Exhibit D: Drilling Site Layout Location and Elevation Plat Exhibit A: Exhibit E: **Production Facilities** Exhibit B: Roads and Pipelines Exhibit F: **H2S Contingency Plan** 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. 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: TITLE: Operations Superintendent DATE 07/16/99 lerry Lindeman (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:

*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.



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

DISTRICT [] P.O. Drawer DD, Artesia, N.M. 88211-0719

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised Febuary 21, 1994

Instructions on back

OIL CONSERVATION DIVISION P.O. Box 2088 Santa Fe, NM 87504-2088

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

DISTRICT IV PO Box 2088, Santa Fe. NM 87504-2088

1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT III

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number Pool Code Pool Name 96822 Cabresto Canyon; San Jose ext. Property Name Well Number JICARILLA 457 S.T. 1 Operator Name • Elevation MALLON OIL CO. 7158 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 L 30-N 3-W 1498 SOUTH 1244 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 18 Dedicated Acres 18 Joint or Infill " Consolidation Code 15 Order No.

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





