

CONFIDENTIAL

Form 3160-3
(July 1992)

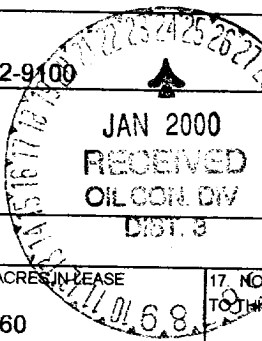
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE
(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. MDA 701-98-0013	
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, Colorado 81302 (970) 382-9100		8. FARM OR LEASE NAME, WELL NO. Jicarilla 30-3-34 #4	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements *) At surface 2039' FSL and 1977' FEL ((NW/SE) Unit J		9. API WELL NO. 30-039-26326	
At proposed prod. zone 2039' FSL and 1977' FEL (NW/SE) Unit J		10. FIELD AND POOL, OR WILDCAT Blanco, Pictured Cliffs	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE * 54 miles east of Bloomfield, New Mexico		11. SEC. T., R., M., OR BLK. Sec 34, T30N-R03W	
15. DISTANCE FROM PROPOSED * LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 2039'		12. COUNTY OR PARISH Rio Arriba	
16. NO. OF ACRES IN LEASE 39,360		13. STATE NM	
17. NO. OF ACRES ASSIGNED TO THIS WELL 159 160		18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2800'	
19. PROPOSED DEPTH 4500'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, Etc.) 7258' GR		22. APPROX DATE WORK WILL START 12/01/99	
23. PROPOSED CASING AND CEMENTING PROGRAM			
SIZE OF HOLE 12-1/4" 7-7/8"	GRADE, SIZE OF CASING 8-5/8" 5-1/2"	WEIGHT PER FOOT 24# 15.5#	SETTING DEPTH 250' 4500'
QUANTITY OF CEMENT Circulate to surface 205 cf 570 sks 1175 cf			



Mallon Oil Company proposes to drill to a depth sufficient to test the Pictured Cliffs formation. If productive, 5-1/2" 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: Environmental Assessment |
|--|---|

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: 11/01/99

(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: Attached

APPROVED BY: S/S W Anderson TITLE: Asst Field Mgr DATE: 01-20-00

*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.

CONFIDENTIAL

DISTRICT II
O. Drawer DD, Artesia, N.M. 88211-0719DISTRICT III
300 Rio Brazos Rd., Aztec, N.M. 87410DISTRICT IV
O 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

1 API Number 30-039-26326		2 Pool Code 72400		3 Pool Name East Blanco; Pictured Cliffs	
4 Property Code 24236		5 Property Name JICARILLA 30-03-34			6 Well Number 4
7 GRID No. 013925		8 Operator Name MALLON OIL COMPANY			9 Elevation 7258'

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
J	34	30-N	3-W		2039'	SOUTH	1977	EAST	RIO ARRIBA

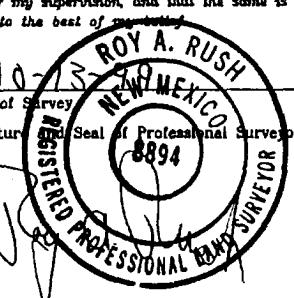
11 Bottom Hole Location If Different From Surface

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 1.68 1.59	13 Joint or Infill	14 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

S 89-41-52 W 5229.19'

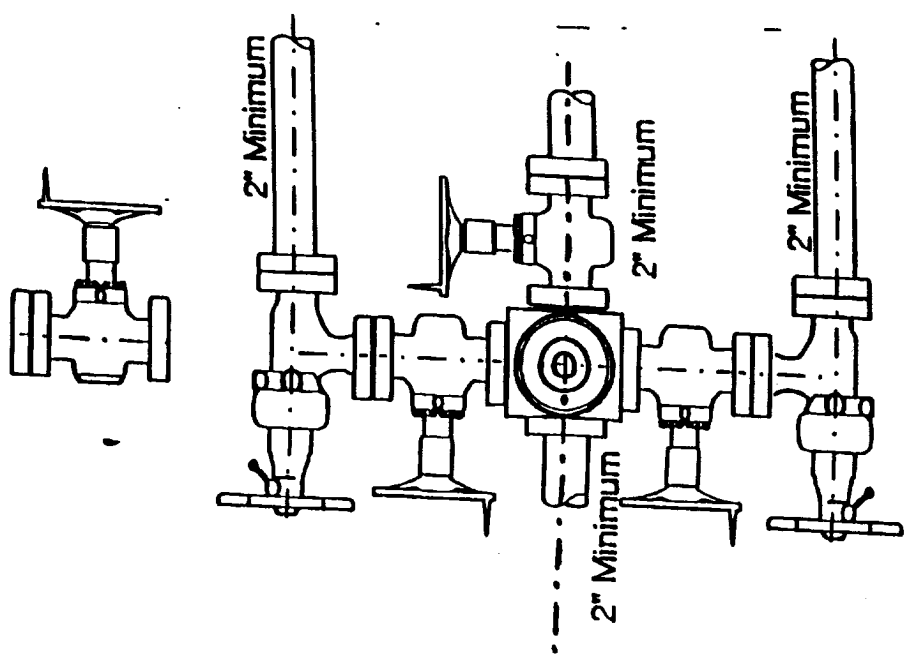
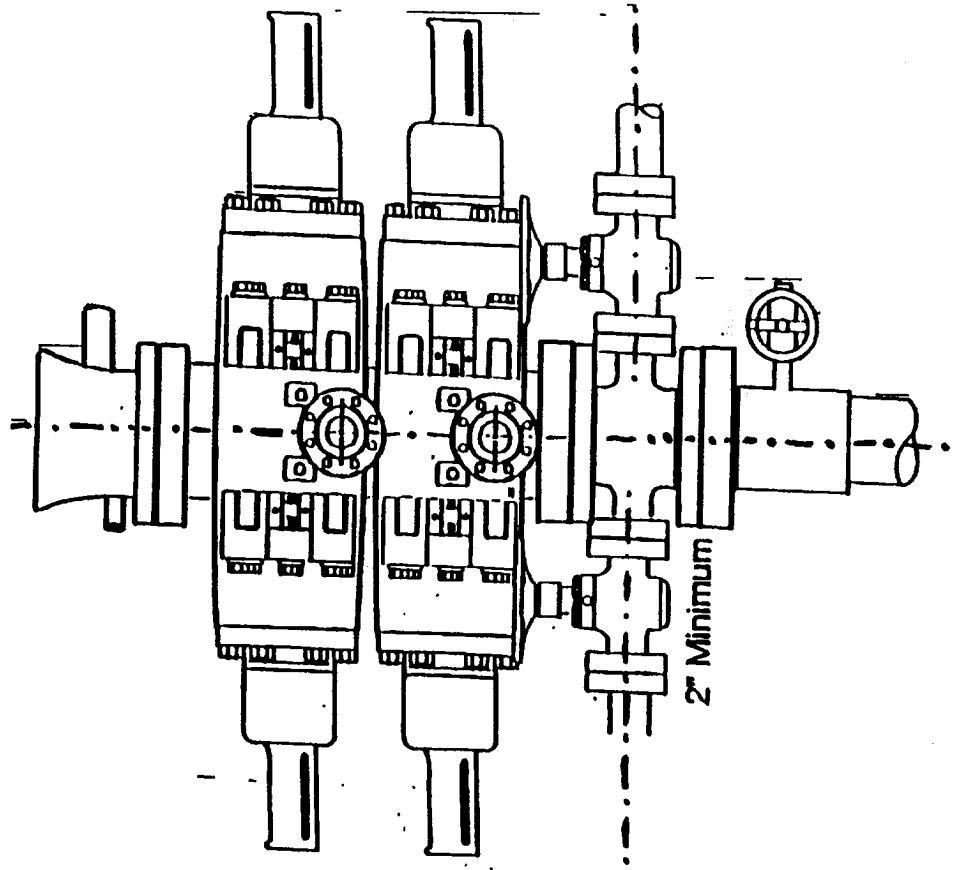
6 FOUND PIN & CAP	34	2039'	1977'	FOUND MARKED STONE	17 OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i> Signature <u>Terry Lindeman</u> Printed Name <u>Terry Lindeman</u> Title <u>Operations Superintendent</u> Date <u>November 1, 1999</u>
					18 SURVEYOR CERTIFICATION <i>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</i> Date of Survey <u>10-13-99</u> Signature <u>[Signature]</u> Seal of Professional Surveyor: <u>8894</u>  8894 Certificate Number

N 00-02-46 W 5266.19'

N 89-42-06 E 5248.80'

2-M SYSTEM

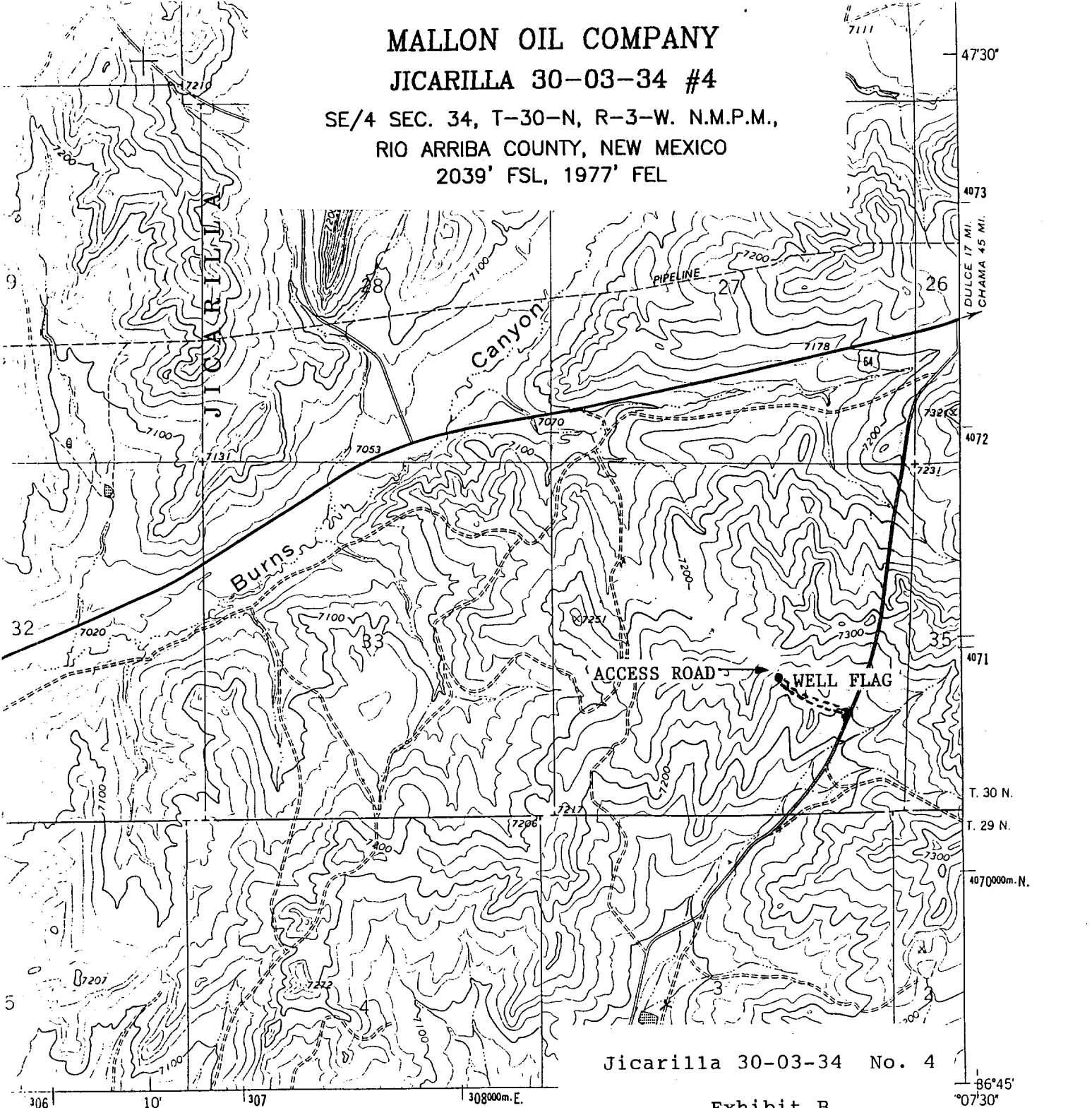
Jicarilla 30-03-34 No. 4



MALLON OIL COMPANY

JICARILLA 30-03-34 #4

SE/4 SEC. 34, T-30-N, R-3-W. N.M.P.M.,
RIO ARriba COUNTY, NEW MEXICO
2039' FSL, 1977' FEL



Jicarilla 30-03-34 No. 4

Exhibit B

1 MILE
000 FEET
ETER



QUADRANGLE LOCATION

Revisions shown in purple compiled
from aerial photographs taken 1981
and other source data. Partial field check by
U.S. Forest Service. Map edited 1982

Primary _____ improved surface _____
hard surface _____
Secondary highway, _____ Unimproved road _____
hard surface _____
○ Interstate Route ○ U. S. Route ○ State Route

BIXLER RANCH, N. MEX.

N3645-W10707.5/7.5

1963
PHOTOREVISED 1982
DMA 4557 1 SW-SERIES V881

GINIA 22092
EST

CEMENT LAKE
4557 11 NE