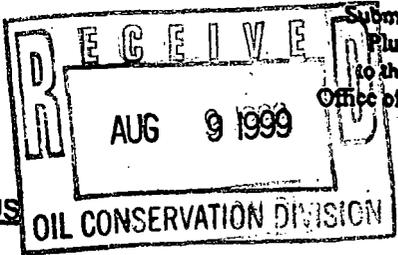


New Mexico Energy Minerals and Natural Resources Department

Form C-142 Date 06/30/99

District I - (505) 391-6161
1025 N. French Dr
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 S. First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Aztec, NM 87410
District IV - (505) 827-7131

Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131



APPLICATION FOR NEW WELL STATUS

I. Operator and Well

Operator name & address: MALLON OIL COMPANY, 999 18th ST; STE 1700, Denver, CO 80202. OGRID Number: 13925. Contact Party: Lisa Anton, Phone: 303-293-2333 Ext 1215. Property Name: Jicarilla 29-02-09, Well Number: 1, API Number: 30-039-26094. Grid: UL L, Section 9, Township 29N, Range 02W, Feet From The 2097, North/South Line FSL, Feet From The 615, East/West Line FWL, County Rio Arriba.

II. Date/Time Information

Spud Date: 2/2/99, Spud Time: 9:30am, Date Completed: 3/29/99, Pool: Pictured Cliffs/San Jose

- III. Attach copies of Form C-103 or Federal Form 3160-5 showing date/time of drilling commenced and Form C-105 or Federal Form 3160-4 showing well was completed as a producer.
IV. Attach a list of all working interest owners with their percentage interests.
V. AFFIDAVIT:

Affidavit section with signature of Elizabeth Anton, Notary Public Carol Naranjo, My Commission expires 11/22/99. Includes text: State of Colorado, County of Denver, being first duly sworn, upon oath states: 1. I am the Operator... 2. To the best of my knowledge...

FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL: This Application for New Well status is hereby approved and the above-referenced well is designated a New Well. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval.

Signature: Mark Hahn, Title: P.E. Spee, Date: AUG 10 1999, AUG 16 1999

VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT:

NOTICE: The operator must notify all working interest owners of this approval and certification as a New Well.

PV2V2006249351

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

SUBMIT IN DUPLICATE
(See other instructions
on reverse side)

FORM APPROVED
OMB NO. 1004-0137

Expires: February 28, 1995

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NO.
701-98-0013

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Jicarilla Apache Tribe

7. GMT AGREEMENT NAME
N/A

8. FARM OR LEASE NAME, WELL NO.
Jicarilla 29-02-09 No. 1

9. API WELL NO.
30-039-26094

10. FIELD AND POOL, OR WILDCAT
East Blanco; Pictured Cliffs

11. SEC., T., R., M., OR BLOCK AND SURVEY
OR AREA
Sec 9, T29N-R02W

12. COUNTY OR PARISH
Rio Arriba

13. STATE
NM

TYPE OF WELL
OIL GAS
WELL WEL DRY OTHER _____

b. TYPE OF COMPLETION
NEW WORK OVER
DEEP-EN PLUG BACK DIFF RESVR

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 **2097' FSL and 615' FWL (NW SW) Unit I**

99 JUN - 9

ALBUQUERQUE

At top prod. interval reported below **2097' FSL and 615' FWL (NW SW) Unit I**

At total depth **2097' FSL and 615' FWL (NW SW) Unit I**

14. Permit No.
N/A

Date issued
N/A

15. DATE SPUDDED
2/2/99

16. DATE TD REACHED
2/10/99

17. DATE COM (Ready to Prod.)
3/29/99

18. ELEVATION (DF, RKB, RT, GR, E)
3908'

19. ELEV. CASINGHEAD
3909'

20. TOTAL DEPTH, MD & TVD
3870'

21. PLUGBACK TD, MD & TVD
3765'

22. IF MULTIPLE COMPS HOW MANY*
2

23. INTERVALS DRILLED BY
→

ROTARY TOOLS
Yes

CABLE TOOLS
No

24. PRODUCING INTERVAL (S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)*
3569'-3580', 3587'-3603', East Blanco; Pictured Cliffs

25. WAS DIRECTIONAL SURVEY MADE
Yes

26. TYPE ELECTRIC AND OTHER LOGS RUN
Gamma Ray Induction, Compensated Neutron Litho-Density

27. WAS WELL CORED
No

28. **CASING RECORD (Report all strings set in well)**

CASING SIZE/GRADE	WEIGHT LB/FT	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24 lb	553.28'	12-1/4"	Cmt 305 sxs Class "H", circ	
				80 sxs to surface	
5-1/2"	15.5 lb	3861.38'	7-7/8"	Cmt 735 sxs cmt, circ 115 sxs	
				to surface	

29. **LINER RECORD**

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT	SCREEN (MD)

30. **TUBING RECORD**

SIZE	DEPTH SET (MD)	PACKER SET (MD)
1.9"	3462'	3461'

31. **PERFORATION RECORD (Interval, size, and number)**

**3569'-3580', 3587'-3603'
4 JSPF (108 holes)**

32. **ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.**

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
3569'-3603'	Acidize 2000 gals 7-1/2% HCL Frac 202,130 lbs 20/40 brady sand

33. **PRODUCTION**

DATE FIRST PRODUCTION **N/A** PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump) **Flowing** WELL STAT (Producing or Shut In) **SI**

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N FOR TEST PERIOD	OIL - BBL	GAS - MCF	WATER - BBL	GAS-OIL RATIO
2/18/99	24	3/8"	→	0	548'	48	N/A

FLOW TBG PRESS	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL - BBL	GAS - MCF	WATER - BBL	OIL GRAVITY - API (CORR.)
160	0	→	0	548'	48	N/A

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)
W/O Pipeline

TEST WITNESSED BY
M. Davis

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

Christy Serrano (Christy Serrano) Production Secretary DATE **6/7/99**

(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. 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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37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE
						VERT DEPTH
				San Jose	1450'	
				Nacimiento	2150'	
				Ojo Alamo	3106'	
				Kirtland	3414'	
				Pictured Cliffs	3570'	
				Lewis	3689'	

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

CONFIDENTIAL

SUBMIT IN DUPLICATE*
(See other instructions
on reverse side)

FORM APPROVED
OMB NO. 1004-0137
Expires: February 28, 1995

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

5. LEASE DESIGNATION AND SERIAL NO.
701-98-0013

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Jicarilla Apache Tribe

7. UNIT AGREEMENT NAME
9:53 N/A

8. FARM OR LEASE NAME, WELL NO.
Jicarilla 29-02-09 No. 1

9. API WELL NO.
30-039-26094

10. FIELD AND POOL, OR WILDCAT
Cabresto Canyon; San Jose Ext

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
Sec 9, T29N-R02W

12. COUNTY OR PARISH
Rio Arriba

13. STATE
NM

1. TYPE OF WELL
OIL GAS
WELL WEL DRY OTHER _____

2. TYPE OF COMPLETION
NEW WORK OVER
DEEP-EN PLUG BACK DIFF RESVR

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 **2097' FSL and 615' FWL (NW SW) Unit I**
At top prod. interval reported below **2097' FSL and 615' FWL (NW SW) Unit I**
At total depth **2097' FSL and 615' FWL (NW SW) Unit I**

14. Permit No. **N/A** Date Issued **N/A**

15. DATE SPUDDED **2/2/99** 16. DATE TD REACHED **2/10/99** 17. DATE COM (Ready to Prod.) **3/29/99** 18. ELEVATION (DF, RKB, RT, GR, E) **3908'** 19. ELEV. CASINGHEAD **3909'**

20. TOTAL DEPTH, MD & TVD **3870'** 21. PLUGBACK TD, MD & TVD **3765'** 22. IF MULTIPLE COMP. HOW MANY* **2** 23. INTERVALS DRILLED BY **→** ROTARY TOOLS **Yes** CABLE TOOLS **No**

24. PRODUCING INTERVAL (S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)*
1296'-1311', 1324'-1336', 1349'-1366'

25. WAS DIRECTIONAL SURVEY MADE **Yes**

26. TYPE ELECTRIC AND OTHER LOGS RUN
Gamma Ray Induction, Compensated Neutron Litho Density

27. WAS WELL CORED **No**

28 CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT LB/FT	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24 lb	553.28'	12-1/4"	Cmt 305 sxs Class "H", circ	
				80 sxs to surface	
5-1/2"	15.5 lb	3861.38'	7-7/8"	Cmt 735 sxs cmt, circ 115 sxs	
				to surface	

29 LINER RECORD **30 TUBING RECORD**

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					1.9"	1315'	NA

31 PERFORATION RECORD (Interval, size, and number)
1296'-1311', 1324'-1336', 1349'-1366'
4 JSPF (176 holes)

32 ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED

33 * PRODUCTION

DATE FIRST PRODUCTION _____ PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump) **Flowing** WELL STAT (Producing or Shut In) **SI**

DATE OF TEST	HOURS TESTED	CHCKE SIZE	PROD'N FOR TEST PERIOD	OIL - BBL	GAS - MCF	WATER - BBL	GAS-OIL RATIO
3/6/99	24	3/8"	→	0	768	10	N/A

FLOW TBG PRESS	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL - BBL	GAS - MCF	WATER - BBL	OIL GRAVITY - API (CORR.)
230	0	→	0	768	10	N/A

34 DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) **SI w/o pipeline** TEST WITNESSED BY **M. Davis**

35 LIST OF ATTACHMENTS

36 I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

Christy Serrano (Christy Serrano) Production Secretary DATE **6/7/99**

*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. 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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37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE
						VERT DEPTH
				San Jose	1450'	
				Nacimiento	2150'	
				Ojo Alamo	3106'	
				Kirtland	3414'	
				Pictured Cliffs	3570'	
				Lewis	3689'	

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JICARILLA 29-02-09 No 1

<u>Working Interest Owner(s)</u>	<u>Percentage Interest</u>
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Mallon Oil Company	100%
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UNITED STATES
 DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT

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FORM APPROVED
 Budget Bureau No. 1004-0135
 Expires March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
 Use "APPLICATION FOR PERMIT -" for such proposals.

5. Lease Designation and Serial No.
 701980013

6. If Indian, Allotee or Tribe Name
 Jicarilla Apache Tribe

7. If Unit or CA, Agreement Designation
 N/A

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
 Mallon Oil Company

3. Address and Telephone No.
 P.O. Box 2797 Durango, CO 81302

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 2097' FSL and 615' FWL (NW SW) Unit L
 Sec. 9, T29N-R02W

8. Well Name and No.
 Jicarilla 29-02-09 No. 1

9. Well API No.
 3003926094

10. Field and Pool, or Exploratory Area
 E. Blanco; Pictured Cliffs

11. County or Parish, State
 Rio Arriba County, New Mexico

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other: Spud Notice
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this zone.)

Mallon Oil Company spud the above referenced well on 2/2/99 at 9:30 pm. Drilled 12-1/4" hole, 8-5/8" x 24 lb/ft surface casing was set at 553.28'. Cement with 305 sxs, circ 80 sxs to surface.

14. I hereby certify that the foregoing is true and correct
 Signed Christy Semano Title Production Secretary Date 2-8-99

(THIS SPACE FOR FEDERAL OR STATE OFFICE USE)
 Approved By David R. [Signature] Title Lands and Mineral Resources Date MAR 15 1999
 Conditions of approval, if any:

Title 18 U. S. C. Section 1001, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

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