

MALLON OIL COMPANY

1099 18th Street, Suite 2750, Denver, Colorado 80202
(303) 293-2333

September 18, 1987

New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico

Attention: Mr. William J. Le May

RE: Request for Administrative
Approval of an Unorthodox
Location
Jicarilla 478 #1 Well
Section 3-T28N-R1W
Rio Arriba County, New Mexico
Boulder Mancos Extension

*NSL-2406
RULE-104 F(I)
1960 FSL & 1325 FEL
Boulder Mancos
Undesignated
80-Acre dedication
N1/2 SE1/4
Section 3*

Gentlemen:

We request administrative approval of an unorthodox location for our Jicarilla 478 #1 Gallup formation oil well, located 1960' FSL and 1325' FEL, Section 3, Township 28 North, Range 1 West, Rio Arriba County, New Mexico. This well staking is 505 feet too close to the line separating the NWSE and NESE portions of Section 3, Township 28 North, Range 1 West. You will note from the enclosed topographic map that there is no other area for an economically buildable location in this quarter section due to the rough topography.

Also enclosed is a lease map indicating Mallon Oil Company as the Operator of all surrounding 80 acre tracts, by virtue of a Farmout Agreement with Union Oil Company of California, with the exception of the 80 acre unleased (open) tract directly to the the east of this well staking. As evidenced by this lease map, there is no need to obtain waivers from the the offset owners.

If you should need any further information on this well, please advise.

Sincerely,

MALLON OIL COMPANY

Karen E. McIntock
Karen E. McIntock
Landman

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

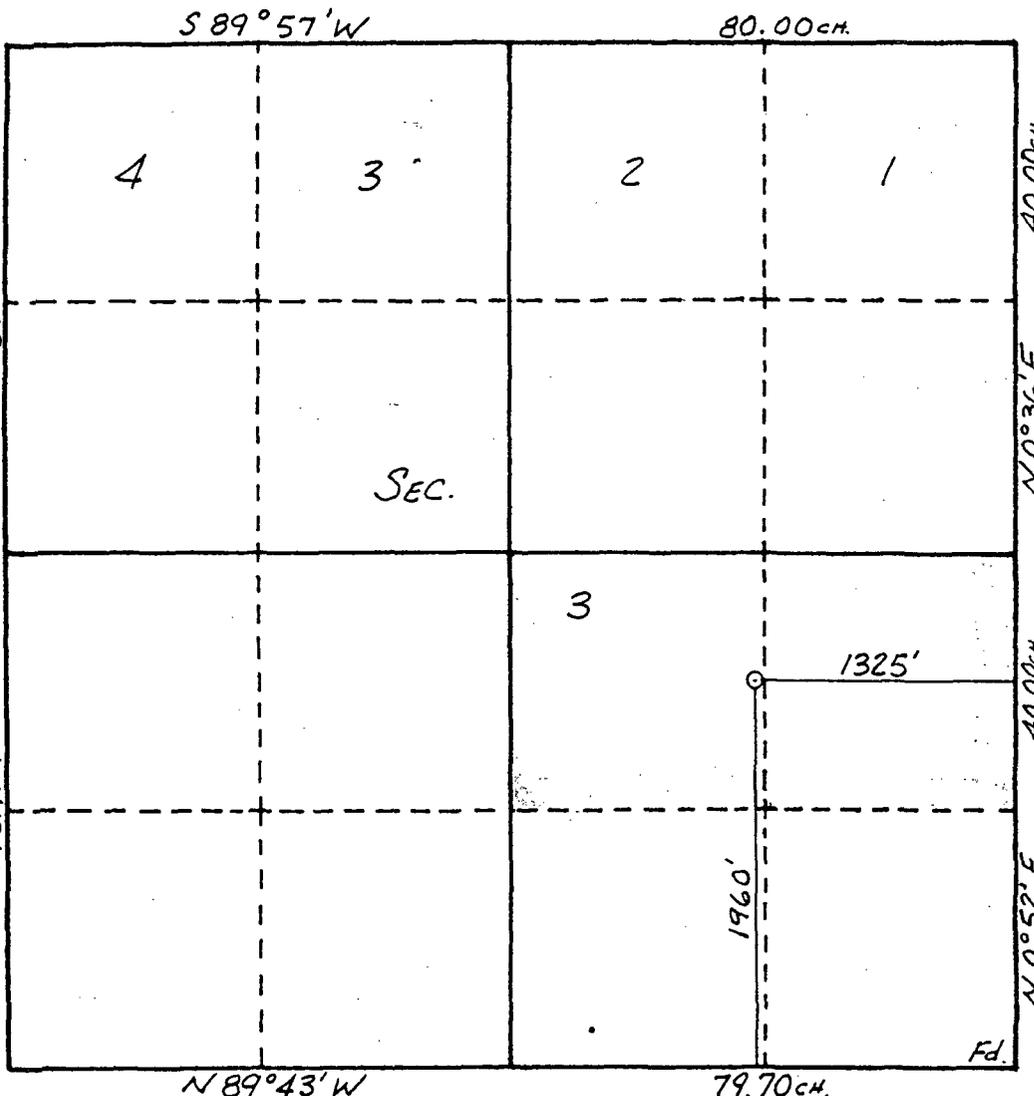
Operator MALLON OIL CO.		Lease JICARILLA 478			Well No. 1
Unit Letter J	Section 3	Township 28 N	Range 1 W	County Rio Arriba	
Actual Footage Location of Well: 1960 feet from the South line and 1325 feet from the East line					
Ground Level Elev: 7564	Producing Formation Gallup	Pool Boulder Gallup Extension		Dedicated Acreage: 80 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

 Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

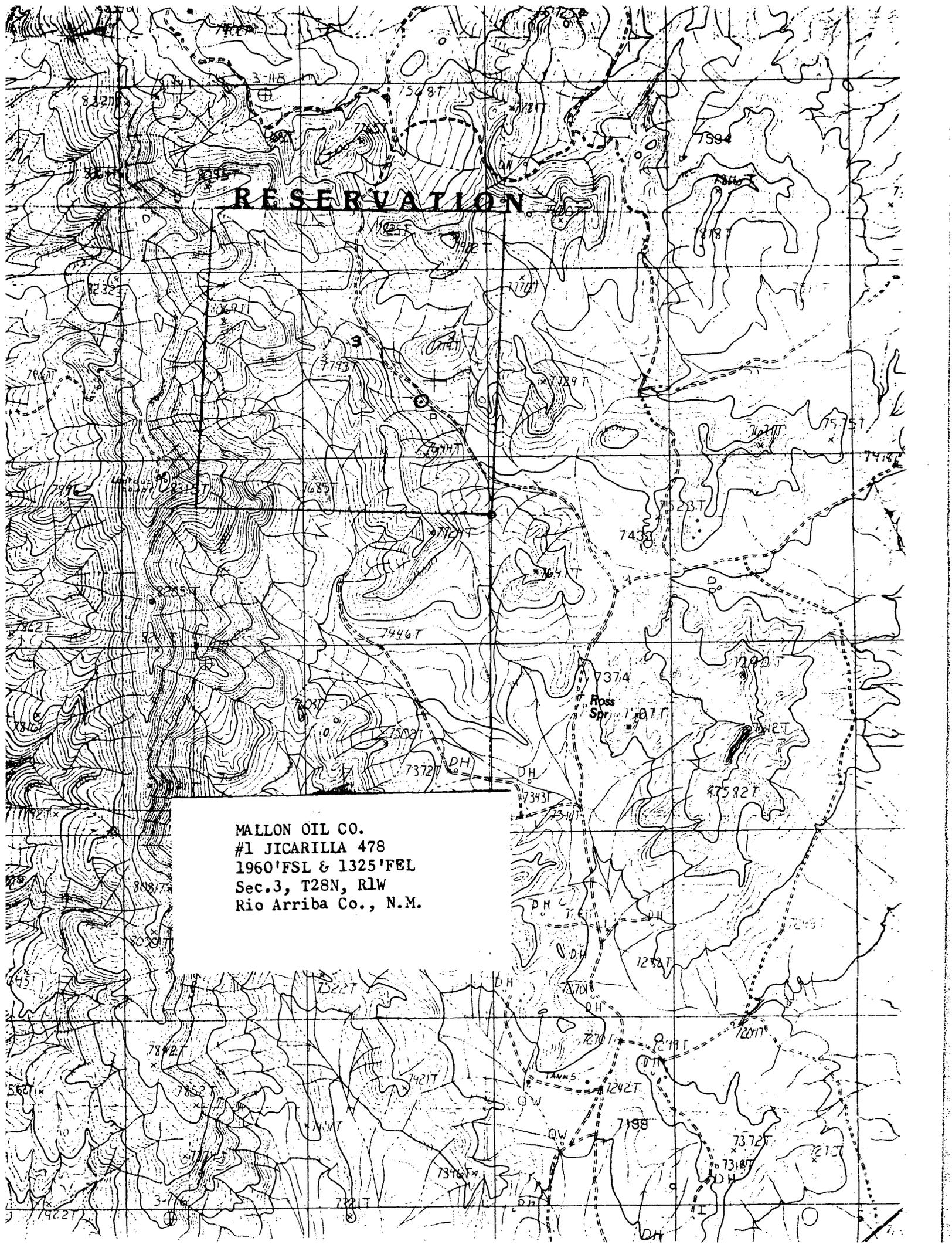
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
Name	Kevin H. McCord
Position	
Agent	
Company	Mallon Oil Company
Date	September 2, 1987
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 knowledge and belief.	
Date Surveyed	September 2, 1987
Registered Professional Engineer and Land Surveyor	W. J. McKeel II #3466
Certificate No.	8400

RESERVATION

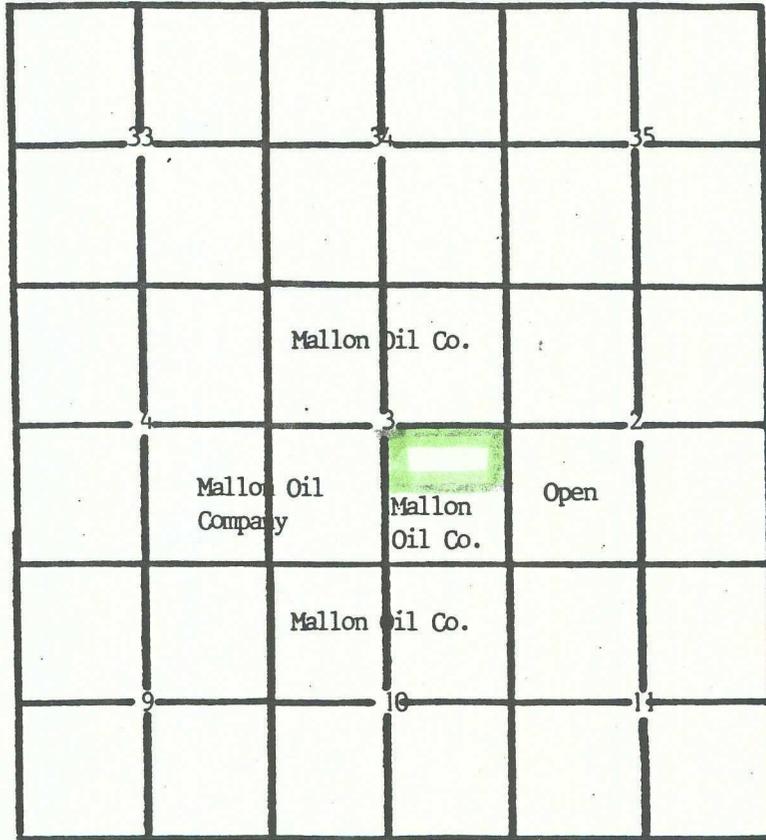
MALLON OIL CO.
#1 JICARILLA 478
1960'FSL & 1325'FEL
Sec.3, T28N, RLW
Rio Arriba Co., N.M.



LEASE MAP

Request for Administrative Approval of an Unorthodox Location

Operator: Mallon Oil Company
Well Name: Jicarilla 478 #1 well
Well Location: 1960' FSL & 1325' FEL, Section 3, T28N, R1W
Rio Arriba County, New Mexico





STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

RECEIVED
SEP 30 1987

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE 9-25-87

RE: Proposed MC _____
Proposed DHC _____
Proposed NSL X _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

NSL-2400

Gentlemen:

I have examined the application dated 9-22-87

for the Mallon Oil Company Jic 478#1 J-3-28N-1W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve

Yours truly,

E. Burch