



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

February 3, 1999

**Mallon Oil Company
P. O. Box 2797
Durango, Colorado 81302**

Attention: Christy Serrano

Re: *Application for administrative approval for Mallon Oil Company to drill its Jicarilla 28-02-4 Well No. 1 (API No. 30-039-26037) at an unorthodox gas well location 1135' FNL & 1400' FEL (Unit G) of Section 4, Township 28 North, Range 2 West, NMPM, Rio Arriba County, New Mexico.*

Dear Ms. Serrano:

To complete this application please submit supporting geological data pursuant to Division Rule 104.F.(3).

Thank you for your cooperation in this matter.

Sincerely

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division – Aztec

Mallon Oil Company

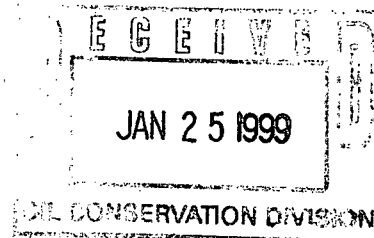
Denver/Colorado ♦ Durango/Colorado ♦ Carlsbad/New Mexico

NSL 2/15/99
a Mallon Resources Subsidiary

January 21, 1999

Mr. Mike Stogner
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

30-034-26037



RE: Jicarilla 28-02-04 No. 1
1135' FNL and 1400' FEL
(SW NE) Unit G
Sec. 4, T28N-R02W

Dear Mr. Stogner:

Mallon Oil Company is requesting an unorthodox location for the Jicarilla 28-02-4 No. 1 (1135' FNL and 1400' FEL (SW NE) Unit G) Sec. 4, T28N-R02W. We would like to apply for an NSL for the following formations:

1. East Blanco; Pictured Cliffs
2. Cabresto Canyon; Ojo Alamo Ext.
3. Cabresto Canyon; Nacimiento Ext.
4. Cabresto Canyon; San Jose Ext.

The need for a Non-Standard Approval is due to geological reasons. According to a letter issued on November 24, 1998 by George F. Coryell, Senior Geologist at Mallon Resources Corporation; which states that the subject well must be located 1135' FNL, 1400' FEL, NW NE of Section 4, T28N-R02W to provide the best initial evaluation of the central portion of both Pictured Cliffs Sandstone and the Ojo Alamo Sandstone prospective trends. This location is positioned for the optimum combination of mapped parameters, including interval thickness, log response, and structure. This location is high-graded by geomorphic mapping which suggests cross-faulting or fracturing similar to that which appears to enhance production in East Blanco field, especially in the Pictured Cliffs Sandstone. Fracture permeability may be equally important for the Ojo Alamo Sandstone.

Mallon Oil Company is the only offset operator to the acreage shown.
Please contact me at (970) 382-9100, if any additional information is needed.

Sincerely

Christy Serrano

Christy Serrano
Production Clerk

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

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code 96822	*Pool Name Cabresto Canyon; San Jose Ext.	
*Property Code	*Property Name Jicarilla 28-02-04			*Well Number 1
*OGRID No. 013925	*Operator Name MALLON OIL COMPANY			*Elevation 7277.4'

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
G	4	28	2-W		1135	NORTH	1400	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
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15 Dedicated Acres	16 Joint or Infill	17 Consolidation Code	18 Order No.
160			

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

16 FD. U.S.G.L.O. BRASS CAP 1917	S 89-48-14 E 5271.70' FD. U.S.G.L.O. BRASS CAP 1917 1135' 1004' 1400' 963.6'	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Terrance G. Lindeman Printed Name Operations Superintendent Title October 24, 1998 Date
N 00-01-44 E FD. U.S.G.L.O. BRASS CAP 1917 1320' 1320' 1320'	18 SURVEYOR CERTIFICATION 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 Date of Survey 8894 Certificate Number	

DISTRICT II
P.O. Drawer DD, Artesia, N.M. 88211-0719DISTRICT III
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WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code	*Pool Name
		96821	Cabresto Canyon; Nacimiento Ext.
*Property Code	*Property Name		*Well Number
	Jicarilla 28-02-04		1
*OGRID No.	*Operator Name		*Elevation
013925	MALLON OIL COMPANY		7277.4'

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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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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	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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		1400'		¹⁸ SURVEYOR CERTIFICATION 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. 9-2 Date of Survey Signature _____ Seal of Professional Surveyor 8894 REGISTERED PROFESSIONAL LAND SURVEYOR 8894 Certificate Number	
		1004'			
		1320'		FD. U.S.G.L.O. BRASS CAP 1917	
		1320'			
		1320'			
		1320'			

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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 96538	³ Pool Name Cabresto Canyon; Ojo Alamo Ext.
⁴ Property Code	⁵ Property Name Jicarilla 28-02-04	⁶ Well Number 1
⁷ GRID No. 013925	⁸ Operator Name MALLON OIL COMPANY	⁹ Elevation 7277.4'

¹⁰ Surface Location

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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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		N 00-01-44 E		1320'	
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WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code 72400	*Pool Name East Blanco; Pictured Cliffs
*Property Code	*Property Name Jicarilla 28-02-04		*Well Number 1
*OGRID No. 013925	*Operator Name MALLON OIL COMPANY		*Elevation 7277.4'

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
G	4	28	2-W		1135	NORTH	1400	EAST	RIO ARRIBA

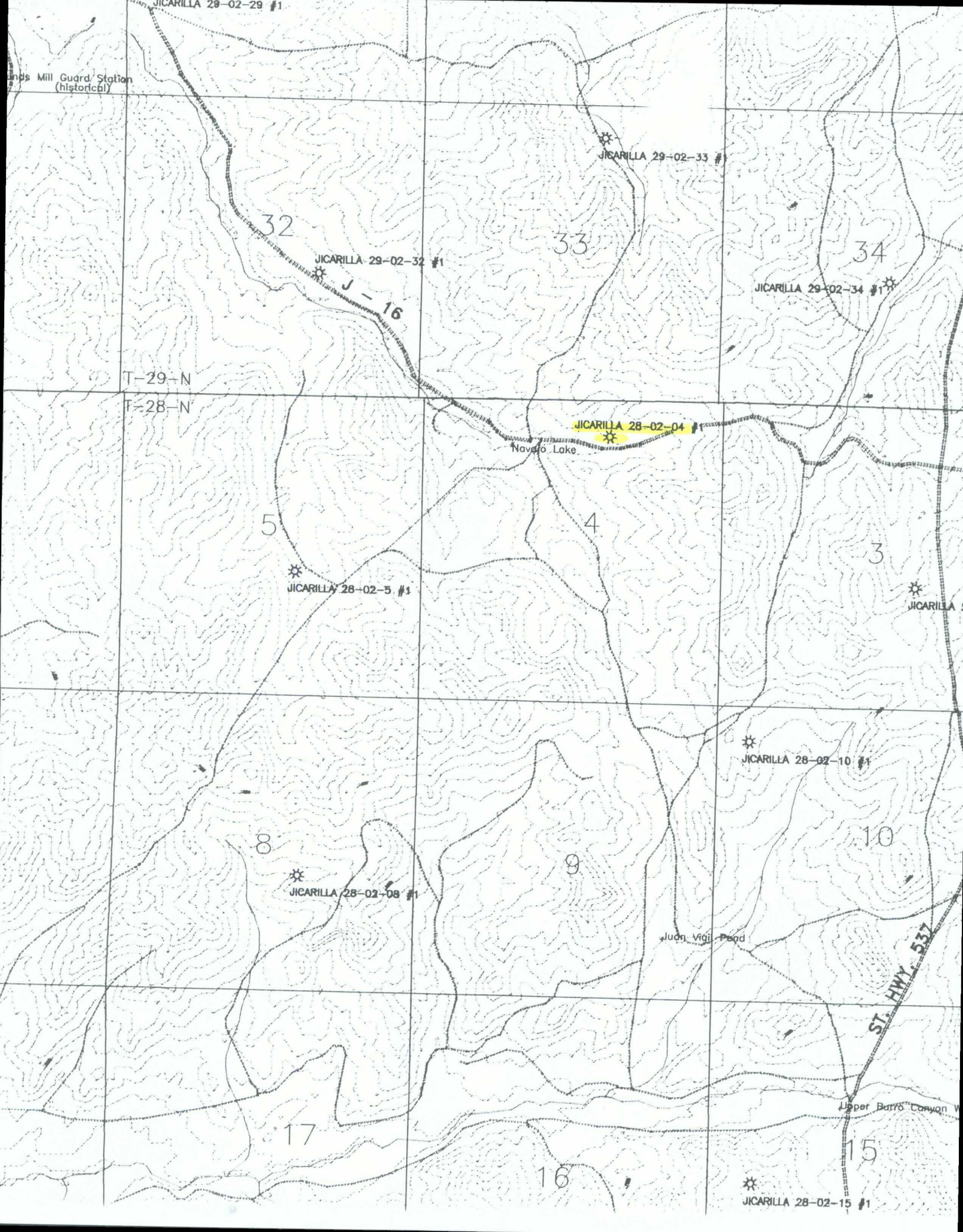
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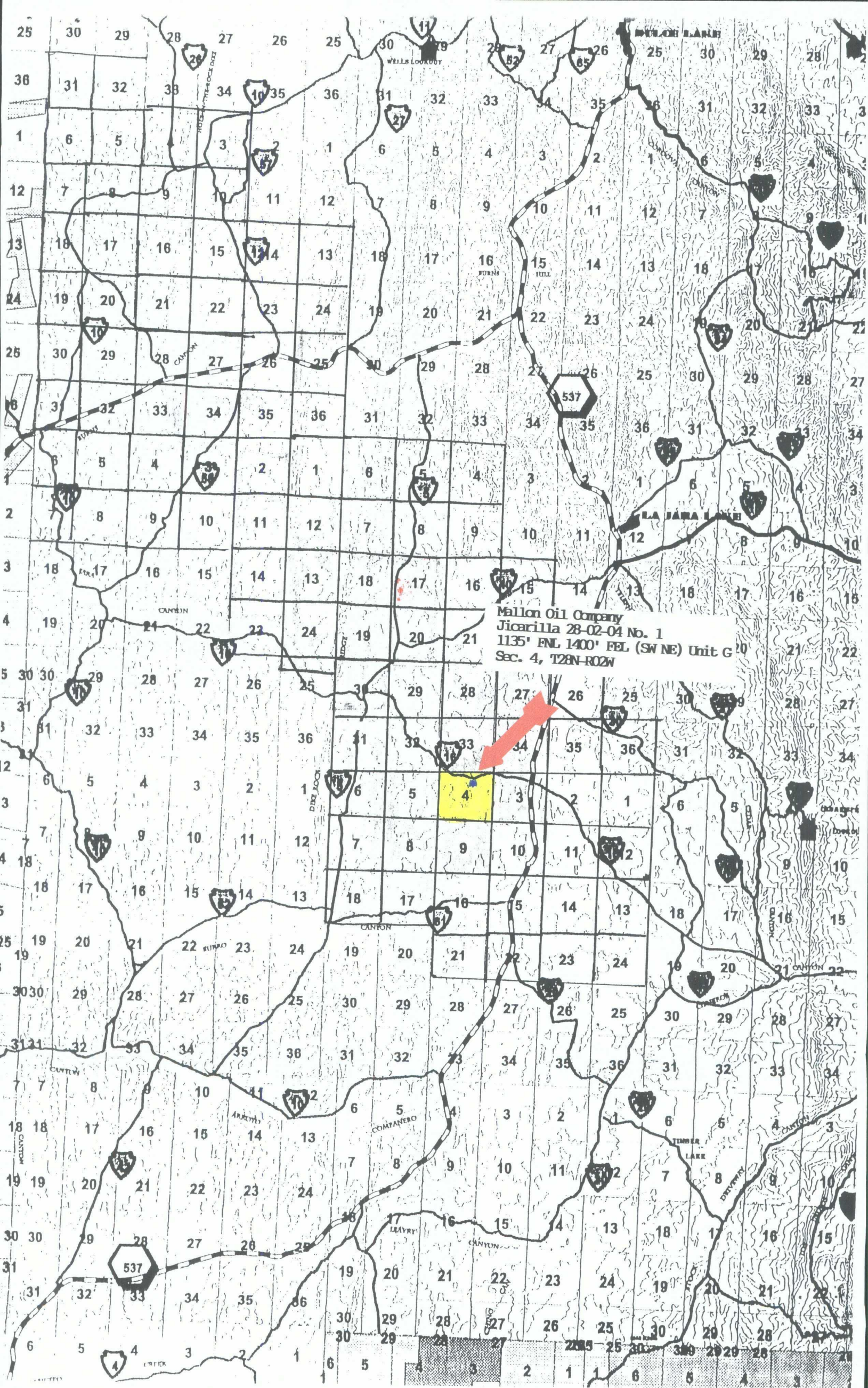
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16 FD. U.S.G.L.O. BRASS CAP 1917	1135'	1400'	I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief
			Signature Terrance G. Lindeman Printed Name Operations Superintendent Title October 24, 1998 Date
N 00-01-44 E 1320'		18 SURVEYOR CERTIFICATION	
1320'		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.	
1320'		Date of Survey 9-2-98 Signature ROY A. RUSH Seal of Professional Surveyor 8894 Certificate Number	
FD. U.S.G.L.O. BRASS CAP 1917			





Mallon Oil Company

a Mallon Resources Subsidiary

Denver/Colorado ♦ Durango/Colorado ♦ Carlsbad/New Mexico

January 21, 1999

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*Property Code	*Property Name Jicarilla 28-02-04		*Well Number 1
*COORD No. 013925	*Operator Name MALLON OIL COMPANY		*Elevation 7277.4'

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*Dedicated Acres 160	*Joint or Infill	*Consolidation Code	*Order No.

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WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code 96821	*Pool Name Cabresto Canyon; Nacimiento Ext.
*Property Code	*Property Name Jicarilla 28-02-04		*Well Number 1
*GRID No. 013925	*Operator Name MALLON OIL COMPANY		*Elevation 7277.4'

10 Surface Location

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12 Dedicated Acres 160	13 Joint or Infill	14 Consolidation Code	15 Order No.
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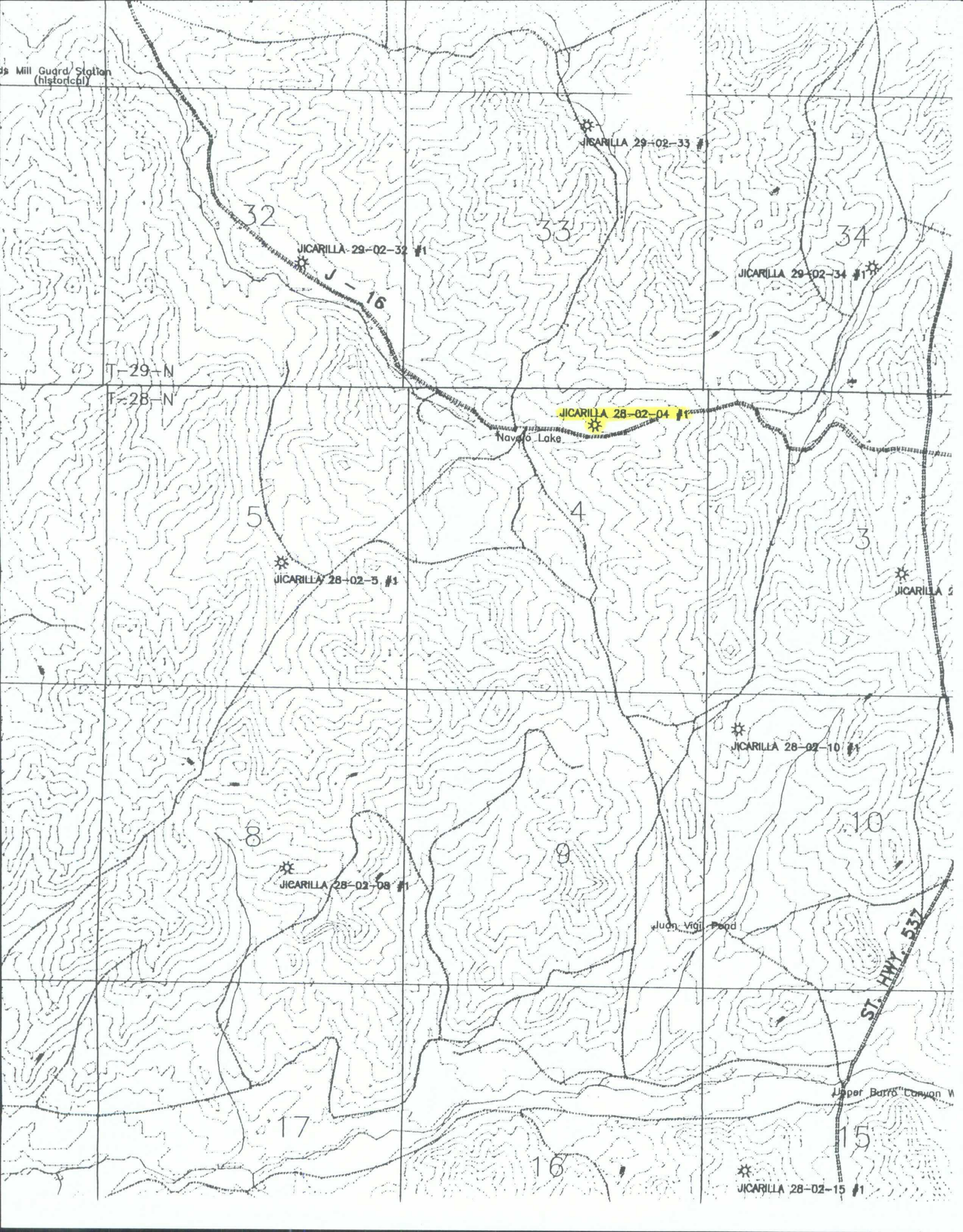
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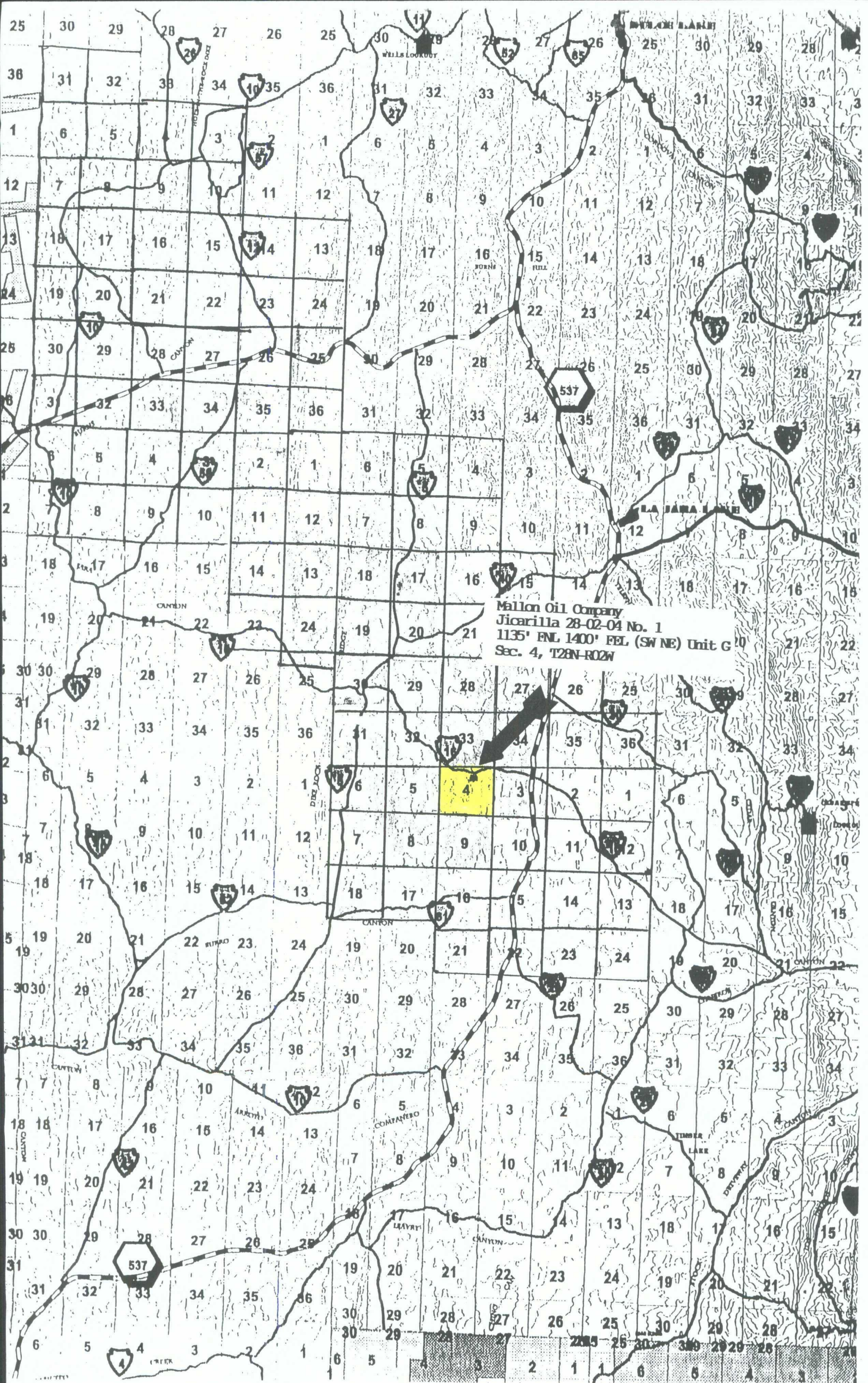
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1320'		FD. U.S.G.L.O. BRASS CAP 1917			





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Jicarilla 28-02-04 No. 1
1135' ENL 1400' FEL (SW NE) Unit G
Sec. 4, T28N-R02W



Mallon Oil Company

a Mallon Resources Subsidiary

Denver/Colorado ♦ Durango/Colorado ♦ Carlsbad/New Mexico

January 21, 1999

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Oil Conservation Division
2040 South Pacheco Street
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Production Clerk

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		96821	Cabresto Canyon; Nacimiento Ext.
*Property Code	*Property Name		*Well Number
	Jicarilla 28-02-04		1
*GRID No.	*Operator Name		*Elevation
013925	MALLON OIL COMPANY		7277.4'

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
G	4	28	2-W		1135	NORTH	1400	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

*Dedicated Acres	*Joint or Infill	*Consolidation Code	*Order No.
160			

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 89-48-1A E 5271.70'	
16 FD. U.S.G.L.O. BRASS CAP 1917	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <u>Terrance G. Lindeman</u> Printed Name: <u>Terrance G. Lindeman</u> Title: <u>Operations Superintendent</u> Date: <u>October 24, 1998</u>
	18 SURVEYOR CERTIFICATION 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. Date of Survey: <u>9-2</u> Signature: <u>[Signature]</u> Seal of Professional Surveyor: <u>8894</u> Certificate Number: <u>8894</u>
	FD. U.S.G.L.O. BRASS CAP 1917

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

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, NM 87504-2088

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

☐ AMENDED REPORT

*API Number		*Pool Code 96538	*Pool Name Cabresto Canyon; Ojo Alamo Ext.
*Property Code	*Property Name Jicarilla 28-02-04		*Well Number 1
*OGRID No. 013925	*Operator Name MALLON OIL COMPANY		*Elevation 7277.4'

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
G	4	28	2-W		1135	NORTH	1400	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
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160			
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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

16 FD. U.S.G.L.O. BRASS CAP 1917	S 89-48-14 E 5271.70'	1135' 1004' 1400' 963.5' N 00-01-44 E 1320'
		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Terrance G. Lindeman Printed Name Operations Superintendent Title October 24, 1998 Date
		18 SURVEYOR CERTIFICATION 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. Date of Survey Signature of Surveyor 8894 FD. U.S.G.L.O. BRASS CAP 1917

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

18 FD. U.S.G.L.O. BRASS CAP 1917	S 89-48-14 E 5271.70'	1135' 1004' 1400' 1320' 1320'
		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Terrance G. Lindeman Printed Name Operations Superintendent Title October 24, 1998 Date
	N 00-01-44 E	18 SURVEYOR CERTIFICATION 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. 9-2 Date of Survey Signature Seal of Professional Surveyor 8894 8894 Certificate Number
		1320'
		FD. U.S.G.L.O. BRASS CAP 1917

Mill Guard Station
(historical)

JICARILLA 29-02-33 #1

JICARILLA 29-02-32 #1

J - 16

JICARILLA 29-02-34 #1

T-29-N

T-28-N

JICARILLA 28-02-04 #1

Navajo Lake

JICARILLA 28-02-05 #1

JICARILLA 2

JICARILLA 28-02-10 #1

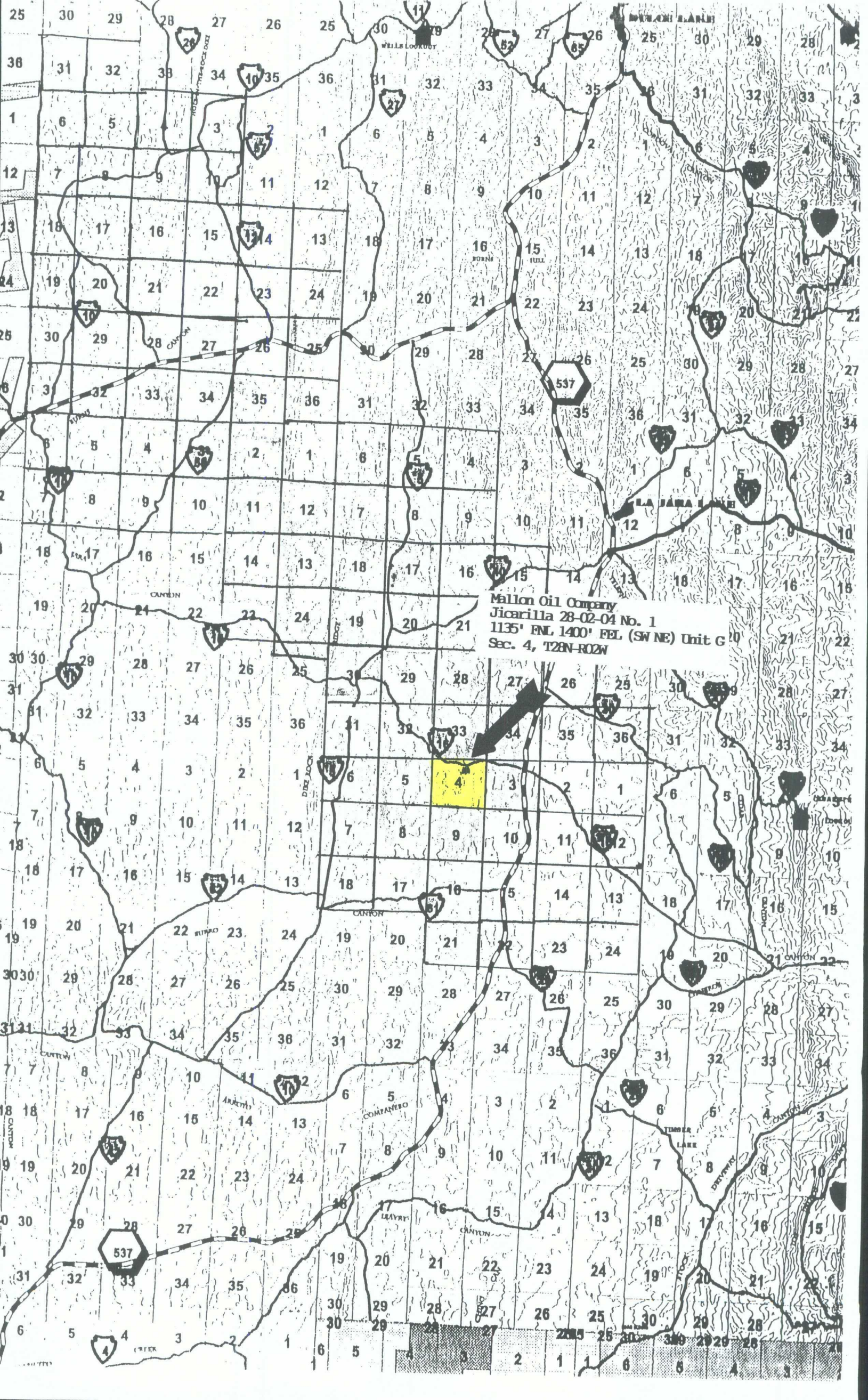
JICARILLA 28-02-08 #1

Juan Vigil Pond

ST. HWY. 537

Upper Barro Canyon W

JICARILLA 28-02-15 #1



CMD : ONGARD 02/03/99 09:10:09
OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGOMES -TPVK

OGRID Idn : 13925 API Well No: 30 39 26037 APD Status(A/C/P): A
Opr Name, Addr: MALLON OIL CO Aprvl/Cncl Date : 12-02-1998
999 18TH ST
STE 1700
DENVER,CO 80202

Prop Idn: 23929 JICARILLA TRACT 28 2 4 Well No: 1

	U/L	Sec	Township	Range	Lot	Idn	North/South	East/West
Surface Locn : G	4	28N	02W				FTG 1135 F N	FTG 1400 F E
OCD U/L : G		API	County	39				

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): G Cable/Rotary (C/R) : F
Lease typ(F/S/P/N/J/U/I): J Ground Level Elevation : 7277

State Lease No: Multiple Comp (Y/N) : N
Prpsd Depth : 4500 Prpsd Frmtn : WC 28N2W4G PC

E0009: Enter data to modify record

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07	PF08	PF09 PRINT	PF10 C102	PF11 HISTORY	PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

02/03/99 09:09:41
OGOMES -TPVK
PAGE NO: 1

Sec : 04 Twp : 28N Rng : 02W Section Type : NORMAL

4 30.55 Indian owned	3 30.47 Indian owned	2 30.41 Indian owned	1 30.33 Indian owned
E 40.00 Indian owned	F 40.00 Indian owned	G 40.00 Indian owned A	H 40.00 Indian owned

PF01 HELP
PF07 BKWD

PF02
PF08 FWD

PF03 EXIT
PF09 PRINT

PF04 GoTo
PF10 SDIV

PF05
PF11

PF06
PF12

CMD :
OG5SECTONGARD
INQUIRE LAND BY SECTION02/03/99 09:09:48
OGOMES -TPVK
PAGE NO: 2

Sec : 04 Twp : 28N Rng : 02W Section Type : NORMAL

L 40.00 Indian owned	K 40.00 Indian owned	J 40.00 Indian owned	I 40.00 Indian owned
M 40.00 Indian owned	N 40.00 Indian owned	O 40.00 Indian owned	P 40.00 Indian owned

PF01 HELP
PF07 BKWDPF02
PF08 FWDPF03 EXIT
PF09 PRINTPF04 GoTo
PF10 SDIVPF05
PF11PF06
PF12

CMD : ONGARD 02/03/99 09:09:57
OG6CLOG C105-WELL COMPLETION OR RECOMP CASING LOG OGOMES -TPVK

OGRID Identifier : 13925 MALLON OIL CO
Prop Identifier : 23929 JICARILLA TRACT 28 2 4
API Well Identifier : 30 39 26037 Well No : 001
Surface Locn - UL : G Sec : 4 Twp : 28N Range : 02W Lot Idn :
Multiple comp (S/M/C) : N TVD Depth (Feet) : MVD Depth (Feet):
Spud Date : P/A Date :
Casing/Linear Record:

S Size Grade Weight Depth(ft) Depth(ft) Hole Size Cement ---- TOC ----
(inches) (lb/ft) Top-Liner Bot-Liner (inches) (Sacks) (feet) Code

E0004: No matching record found. Enter data to create.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 PF08 PF09 COMMENT PF10 TLOG PF11 PF12

CMD :
OG5SECTONGARD
INQUIRE LAND BY SECTION09/03/99 14:24:20
OGOMES -TPHU
PAGE NO: 1

Sec : 04 Twp : 28N Rng : 02W Section Type : NORMAL

4 30.55 Indian owned	3 30.47 Indian owned	2 30.41 Indian owned	1 30.33 Indian owned
E 40.00 Indian owned	F 40.00 Indian owned	G 40.00 Indian owned A	H 40.00 Indian owned

PF01 HELP
PF07 BKWDPF02
PF08 FWDPF03 EXIT
PF09 PRINTPF04 GoTo
PF10 SDIVPF05
PF11PF06
PF12

70.40
70.33
140.73

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

09/03/99 14:24:31
OGOMES -TPHU
PAGE NO: 2

Sec : 04 Twp : 28N Rng : 02W Section Type : NORMAL

L 40.00	K 40.00	J 40.00	I 40.00
Indian owned	Indian owned	Indian owned	Indian owned
M 40.00	N 40.00	O 40.00	P 40.00
Indian owned	Indian owned	Indian owned	Indian owned

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07 BKWD	PF08 FWD	PF09 PRINT	PF10 SDIV	PF11	PF12

CMD : ONGARD 09/03/99 14:24:42
OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGOMES -TPHU

OGRID Idn : 13925 API Well No: 30 39 26037 APD Status(A/C/P): A
Opr Name, Addr: MALLON OIL CO Aprvl/Cncl Date : 12-02-1998
999 18TH ST
STE 1700
DENVER,CO 80202

Prop Idn: 23929 JICARILLA 28 2 4 Well No: 1

	U/L	Sec	Township	Range	Lot	Idn	North/South	East/West
Surface Locn : G	4	28N	02W				FTG 1135 F N	FTG 1400 F E
OCD U/L : G		API	County	39				

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): G Cable/Rotary (C/R) : F
Lease typ(F/S/P/N/J/U/I): J Ground Level Elevation : 7277

State Lease No: Multiple Comp (Y/N) : M
Prpsd Depth : 4500 Prpsd Frmtn : WC;28N2W4G NACIM/SAN JOSE/SAN JOSE

E0009: Enter data to modify record

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07	PF08	PF09 PRINT	PF10 C102	PF11 HISTORY	PF12

CMD :
OG6IWCM

ONGARD
INQUIRE WELL COMPLETIONS

09/03/99 14:24:51
OGOMES -TPHU

API Well No : 30 39 26037 Eff Date : 01-30-1999 WC Status : S
Pool Idn : 96933 WILDCAT 28N2W4G;SAN JOSE (G)
OGRID Idn : 13925 MALLON OIL CO
Prop Idn : 23929 JICARILLA 28 2 4

Well No : 001
GL Elevation: 7277

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
	---	---	-----	-----	-----	-----	-----
B.H. Locn : G	4	28N	02W	FTG 1135 F N	FTG 1400 F E		P

Lot Identifier:

Dedicated Acre: 140.74

Lease Type : J

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

CMD :
OG6IWCM

ONGARD
INQUIRE WELL COMPLETIONS

09/03/99 14:24:55
OGOMES -TPHU

API Well No : 30 39 26037 Eff Date : 01-30-1999 WC Status : S
Pool Idn : 96934 WILDCAT 28N2W4G;OJO ALAMO (G)
OGRID Idn : 13925 MALLON OIL CO
Prop Idn : 23929 JICARILLA 28 2 4

Well No : 001
GL Elevation: 7277

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
	---	---	-----	-----	-----	-----	-----
B.H. Locn : G	4	28N	02W	FTG 1135 F N	FTG 1400 F E		P

Lot Identifier:

Dedicated Acre: 140.74

Lease Type : J

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC