

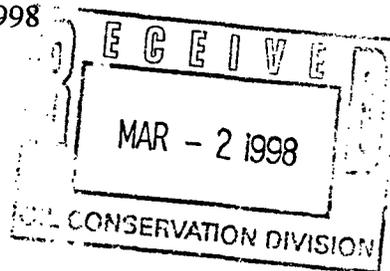
Mallon Oil Company

Denver/Colorado ♦ Carlsbad/New Mexico

NSP 3/23/98

a Mallon Resources subsidiary

February 27, 1998



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

Dear Mr. Stagner:

Enclosed, you will find, the East Blanco Field map for Mallon Oil Company, eleven (11) C-102 survey plats with attached topographic maps for the respective wells.

Mallon Oil Company is requesting an exemption to rule 104 due to topographic conditions for the following wells:

- | | |
|---------------------------|---------------------------|
| 1. Jicarilla 457-4 No. 2 | 5. Jicarilla 459-20 No. 8 |
| 2. Jicarilla 457-10 No. 8 | 6. Jicarilla 459-20 No. 7 |
| 3. Jicarilla 458-8 No. 7 | 7. Jicarilla 460-16 No. 1 |
| 4. Jicarilla 459-17 No. 9 | 8. Jicarilla 464-29 No. 9 |

Note: Jicarilla 460-16 No. 1 has two plats attached showing the well was moved 100 feet west to avoid an archaeological site.

In addition to topographical conditions, due to irregular sections in Sec. 19-30N-3W and Sec. 30-30N-3W we are requesting non standard pro-ration units, for the following wells:

1. Jicarilla 459-19 No. 9
2. Jicarilla 464-30 No. 9 *3089-25789*
3. Jicarilla 464-30 No. 10

The only offset operator to the west is Robert L. Bayless and we have notified them of our request.

If any additional information is needed please contact me at (505) 885-4596

Mallon Oil Company
Sincerely,

A handwritten signature in black ink, appearing to read "Terry Lindeman".

Terry Lindeman
Exploration/Production Superintendent

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

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

DISTRICT III
1000 Rio Brazos Rd., Artesia, N.M. 87410

DISTRICT IV
PO 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

*API Number		*Pool Code		*Pool Name	
				PICTURE CLIFF 4500'	
*Property Code		*Property Name			*Well Number
		JICARILLA 464-30			9
*GRID No.		*Operator Name			*Elevation
		MALLON OIL CO.			7195'

¹⁰ Surface Location

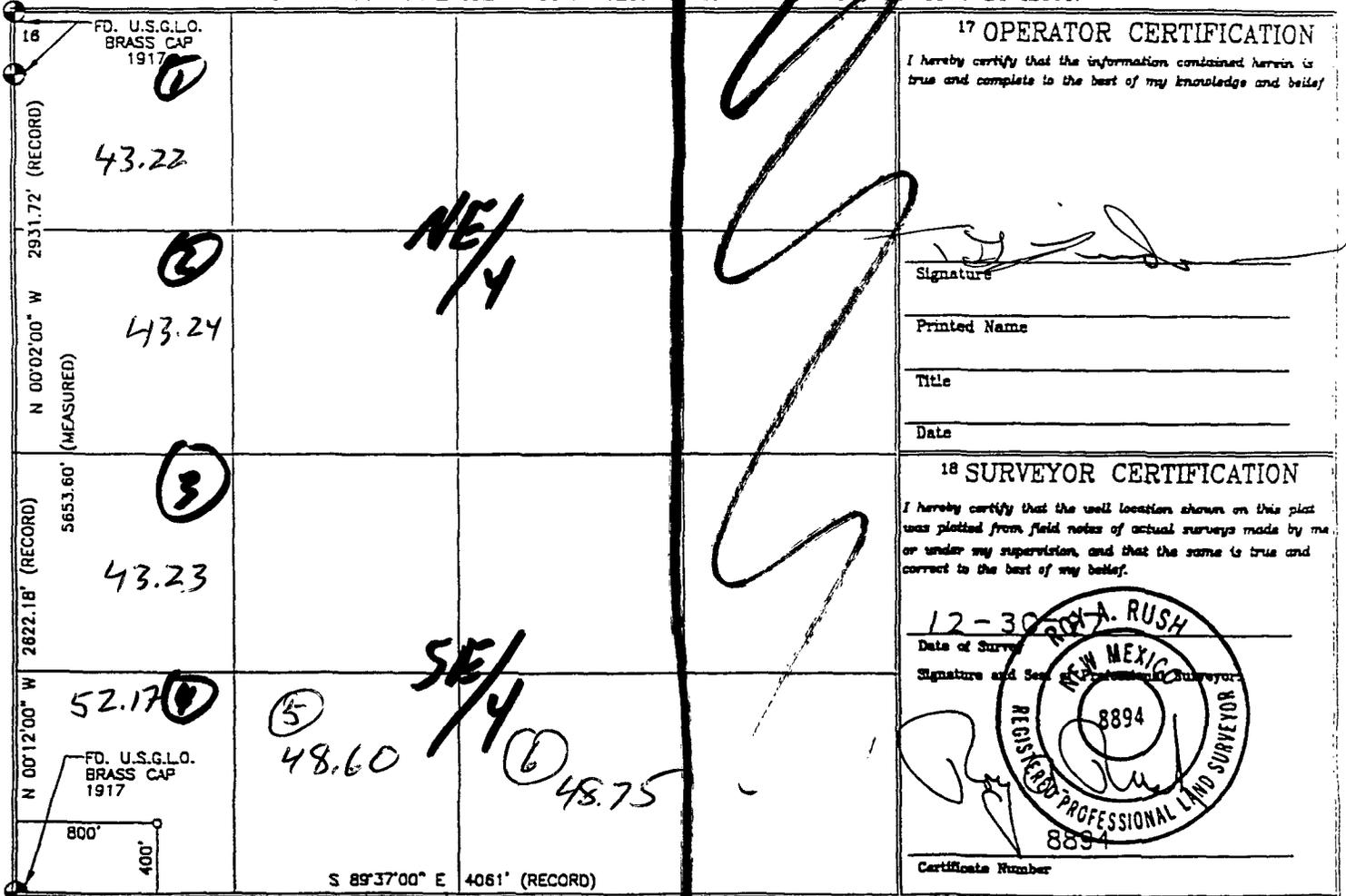
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	30	30-N	3-W		400	SOUTH	800	WEST	RIO ARRIBA

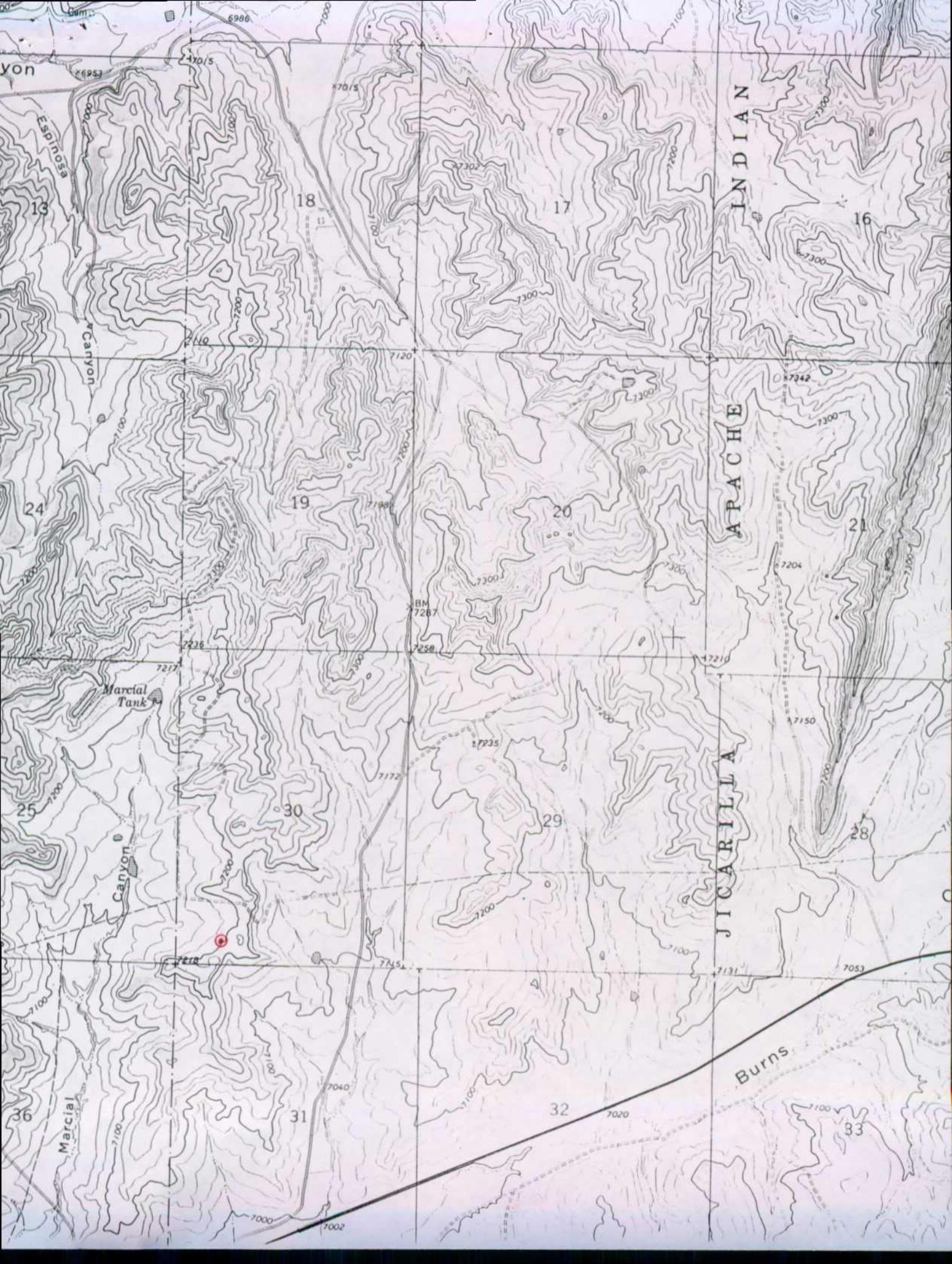
¹¹ Bottom Hole Location If Different From Surface

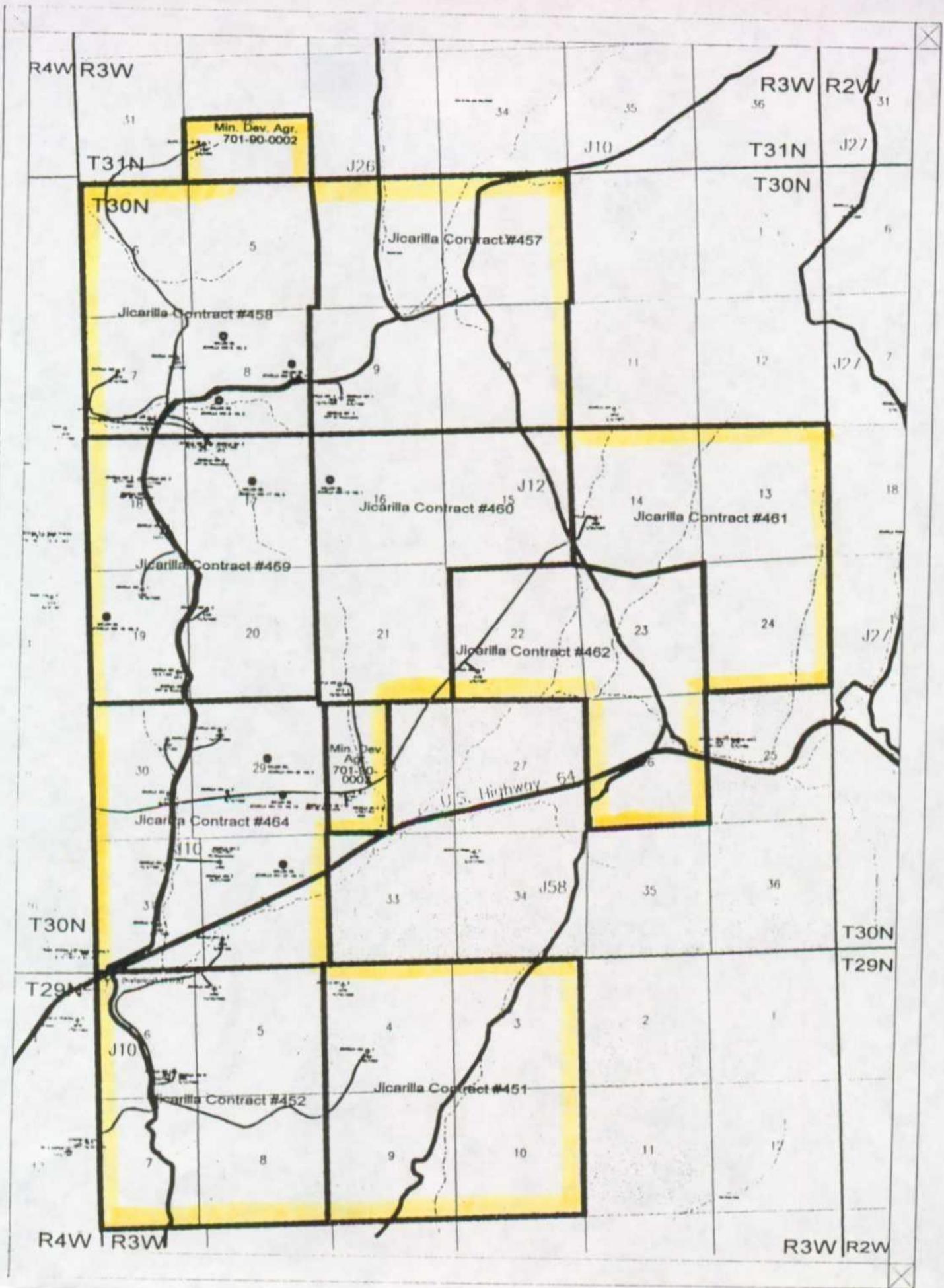
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres	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







Scale 1:63360.



MALLON OIL COMPANY		
East Blanco Field - San Juan Basin		
Townships 29-30 North		
Rio Arriba County, New Mexico		
		10/21/97

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE
(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 Deepen

b. TYPE OF WELL
Oil Well Gas Well Other Single Zone Multiple Zone

2. NAME OF OPERATOR
Mallon Oil Company 13925

3. ADDRESS AND TELEPHONE NO.
P.O. Box 3256
Carlsbad, NM 88220 (505) 885-4596

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface 400' FSL and 800' FWL (SW SW) Unit MN
At proposed prod. zone 400' FSL and 800' FWL (SW SW) Unit MN

5. LEASE DESIGNATION AND SERIAL NO
Jicarilla 464

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Jicarilla Apache

7. UNIT AGREEMENT NAME
N/A

8. FARM OR LEASE NAME, WELL NO.
Jicarilla 464-30 No. 9 22864

9. API WELL NO.
30-039-25789

10. FIELD AND POOL, OR WILDCAT
E. Blanco, Pictured Cliffs 72400

11. SEC., T., R., M., OR BLK
AND SURVEY OR AREA
N
Sec. 30, T30N-R3W

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
50 miles east of Bloomfield, New Mexico

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
(Also to nearest drif. unit line, if any) 800'

16. NO. OF ACRES IN LEASE 2410

17. NO. OF ACRES ASSIGNED TO THIS WELL 180 95.40

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2600'

19. PROPOSED DEPTH 4500'

20. ROTARY OR CABLE TOOLS Rotary

12. COUNTY OR PARISH Rio Arriba

13. STATE NM

21. ELEVATIONS (SHOW WHETHER DF, RT, GR, Etc.) 7195 2421'

22. APPROX. DATE WORK WILL START February 28, 1998

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'	Circ. to surface
7-8/8"	5-1/2"	15.5#	4500'	570 sks

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
- Exhibit H: Archaeological Clearance

RECEIVED
FEB 23 1998

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.

OIL CON. DIV
DIST. 3

24.
SIGNED: Terry Lindeman TITLE: Production Superintendent DATE: 01/12/98

(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:
APPROVED BY Joe Incardine TITLE Lands and Mineral Resources DATE FEB 18 1998

*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.

HOLD C-109 FOR ASL & NSP ✓
(4)

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

DISTRICT III
1000 Elv Brazos Ed., Artesia, N.M. 87410

DISTRICT IV
PO 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

*API Number <i>30-039-25789</i>		*Pool Code <i>72400</i>	*Pool Name <i>Z BLANCO</i> PICTURED CLIFFS 4500'
*Property Code <i>22864</i>	*Property Name JICARILLA 464-30		*Well Number 9
*OGRID No. <i>13925</i>	*Operator Name MALLON OIL CO.		*Elevation 7195'

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
<i>N</i>	30	30-N	3-W		400	SOUTH	800	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

**Dedicated Acres <i>95.40</i>	**Joint or Infill	**Consolidation Code	**Order No.
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FD. U.S.G.L.O. BRASS CAP 1917

N 08°02'00" W 2931.79' (RECORD)

N 08°02'00" W 5653.80' (MEASURED)

N 00°12'00" W 2622.18' (RECORD)

N 00°12'00" W 400'

S 89°37'00" E 4061' (RECORD)

RECEIVED
FEB 23 1998
OIL CON. DIV.
DIST. 3

17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Signature: *Terry Lindeman*

Printed Name: Terry Lindeman

Title: Production Superintendent

Date: 1-12-98

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: 12-30-97

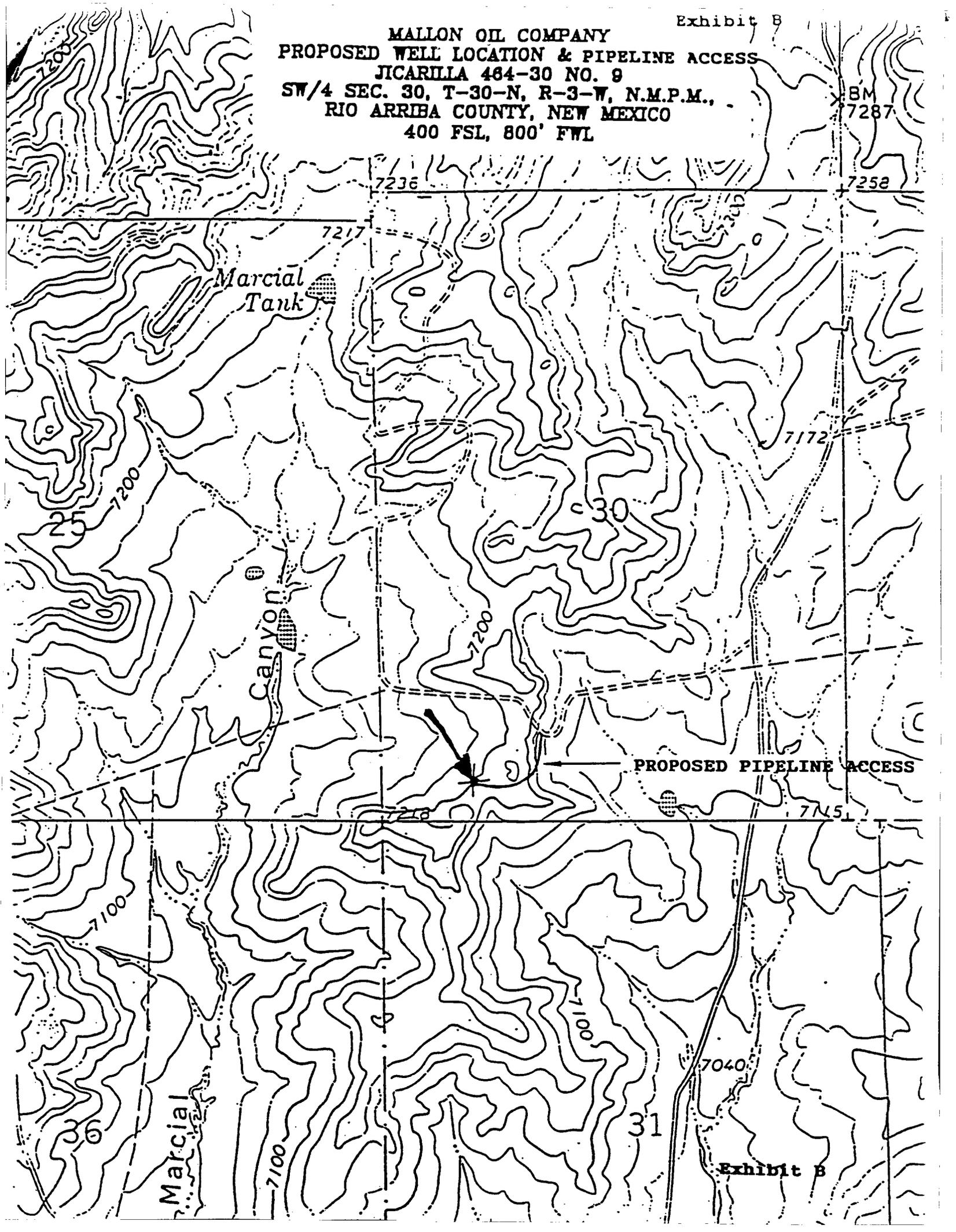
Signature and Seal: *[Signature]*

REGISTERED PROFESSIONAL LAND SURVEYOR
NEW MEXICO
8894

Certificate Number: 8894

MALLON OIL COMPANY
PROPOSED WELL LOCATION & PIPELINE ACCESS
JICARILLA 464-30 NO. 9
SW/4 SEC. 30, T-30-N, R-3-W, N.M.P.M.,
RIO ARRIJA COUNTY, NEW MEXICO
400 FSL, 800' FWL

BM
7287



7236

7252

7217

Marcial Tank

7172

Marcial Canyon

PROPOSED PIPELINE ACCESS

7218

7145

7100

7100

7040

Marcial

7100

31

Exhibit B

MALLON OIL COMPANY
PROPOSED WELL LOCATION & ACCESS ROAD
JICARILLA 464-30 NO. 9
SW/4 SEC. 30, T-30-N, R-3-W, N.M.P.M.,
RIO ARriba COUNTY, NEW MEXICO
400 FSL, 800' FWL

Exhibit B

BM
7287

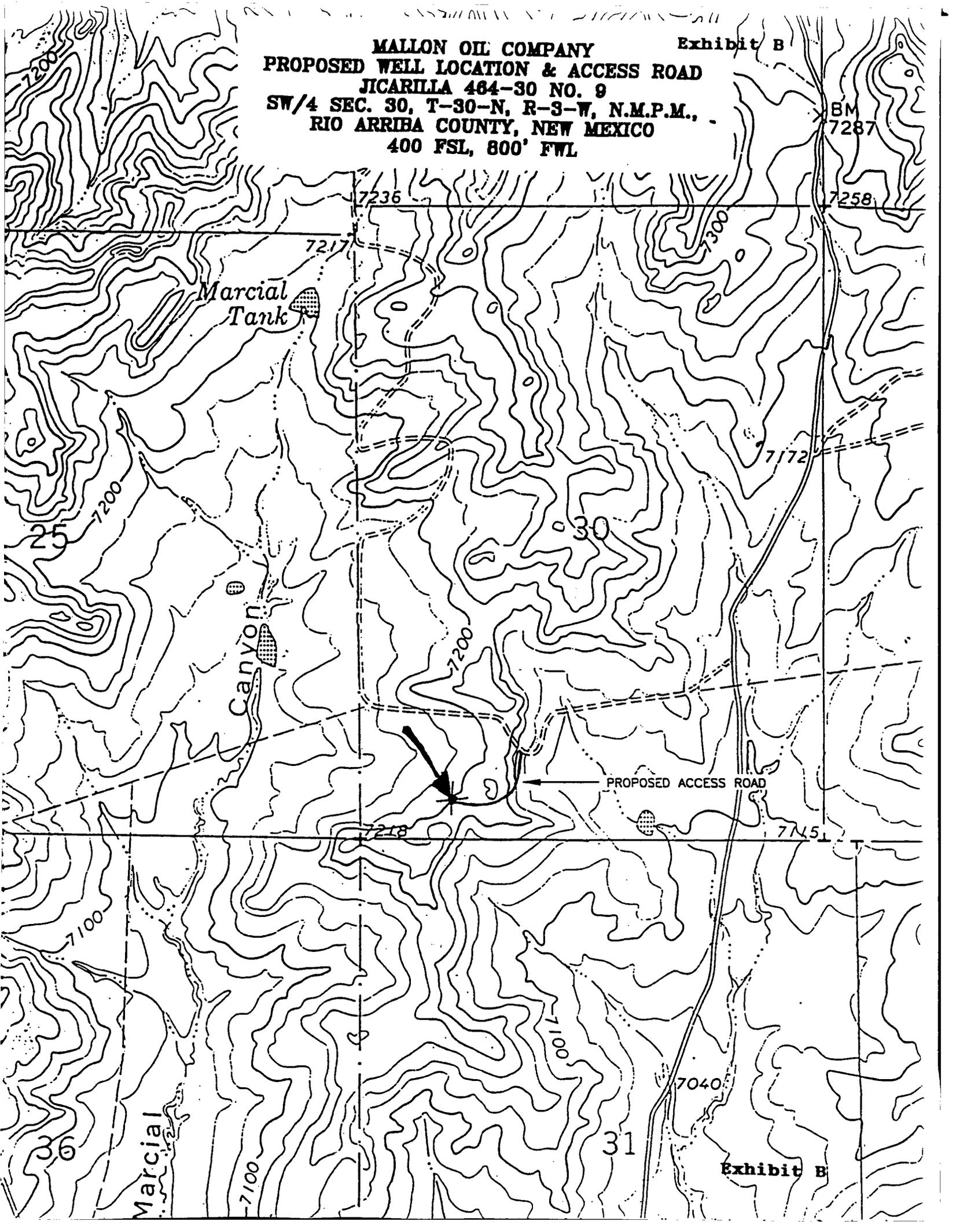


Exhibit B

County RIO ARRIBA

Pool EAST BLANCO-PICTURED CLIFFS

TOWNSHIP 30 N South, RANGE 3 W East, NEW MEXICO PRINCIPAL MERIDIAN

6	5	4	3	2	1
7	8	9	10	11	12
13	17	16	15	14	13
19	20	21	22	23	24
29	28	29	27	26	25
31	32	33	34	35	36

EXT: ALL SECS 7-32 (R-8713 8/12/88) Ext: W/2 Sec. 5 (R-10178, 8-30-94)
