

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

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| TRANSPORTER            | OIL |
|                        | GAS |
| OPERATOR               |     |
| PERMITS OFFICE         |     |

OIL CONSERVATION DIVISION  
P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

Form C-104  
Revised 10-01-78  
Permit 08-01-83  
Page 1

REQUEST FOR ALLOWABLE  
AND  
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

**I. Operator**  
Mallon Oil Company

**Address**  
1616 Glenarm Place, Suite 2850 Denver, CO 80202

**Reason(s) for filing (Check proper box)**

|  |   |                                     |                                  |
|--|---|-------------------------------------|----------------------------------|
| <input checked="" type="checkbox"/> New Well | <b>Change in Transporter of:</b>        | <input type="checkbox"/> Oil        | <input type="checkbox"/> Dry Gas |
| <input type="checkbox"/> Recompletion        | <input type="checkbox"/> Casinghead Gas | <input type="checkbox"/> Condensate |                                  |
| <input type="checkbox"/> Change in Ownership |   |                                     |                                  |

**Other (Please explain)**

If change of ownership give name and address of previous owner \_\_\_\_\_

**II. DESCRIPTION OF WELL AND LEASE**

|                                      |                      |  |  |                              |
|--------------------------------------|----------------------|--|--|------------------------------|
| <b>Lease Name</b><br>Post-Federal 13 | <b>Well No.</b><br>6 | <b>Pool Name, including Formation</b><br>Gavilan-Greenhorn-Graneros-Dakota | <b>Kind of Lease</b><br>Communitized State, Federal or Fee Federal | <b>Lease No.</b><br>NM-43753 |
|--------------------------------------|----------------------|--|--|------------------------------|

**Location**  
Unit Letter F : 1850 Feet From The North Line and 1670 Feet From The West

**Line of Section** 13 **Township** 25N **Range** 2W , **NMPM**, Rio Arriba **County**

**III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS**

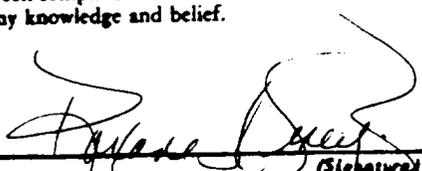
|   |   |
|---|---|
| <b>Name of Authorized Transporter of Oil</b> <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/>         | <b>Address (Give address to which approved copy of this form is to be sent)</b> |
| Permian Corporation   | 2502 W. Main Farmington, NM 87401   |
| <b>Name of Authorized Transporter of Casinghead Gas</b> <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> | <b>Address (Give address to which approved copy of this form is to be sent)</b> |
| Gavilan Joint Venture   | 1616 Glenarm Pl, Suite 2850, Denver, CO 80202                                   |
| <b>If well produces oil or liquids, give location of tanks.</b>   | <b>Is gas actually connected? When</b>  |
| Unit <u>F</u> Sec. <u>13</u> Twp. <u>25N</u> Rge. <u>2W</u>   | yes June 1986   |

If this production is commingled with that from any other lease or pool, give commingling order number: \_\_\_\_\_

**NOTE: Complete Parts IV and V on reverse side if necessary.**

**VI. CERTIFICATE OF COMPLIANCE**

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given is true and complete to the best of my knowledge and belief.

  
\_\_\_\_\_  
Production Assistant  
(Title)

06-18-86  
\_\_\_\_\_  
(Date)

**OIL CONSERVATION DIVISION**  
JUL 03 1986

APPROVED \_\_\_\_\_, 19\_\_\_\_

BY Original Signed by FRANK T. CHAVEZ

TITLE \_\_\_\_\_ SUPERVISOR DISTRICT # \_\_\_\_\_

This form is to be filed in compliance with RULE 1104.  
If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviator tests taken on the well in accordance with RULE 111.  
All sections of this form must be filled out completely for allowable on new and recompleted wells.  
Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition.  
Separate Forms C-104 must be filed for each pool in multiply completed wells.

**IV. COMPLETION DATA**

| Designate Type of Completion - (X)  |                                       | Oil Well                   | Gas Well  | New Well              | Workover                             | Deepen | Plug Back | Same Res'v. | Diff. Res'v. |
|---|---------------------------------------|----------------------------|-----------|-----------------------|--------------------------------------|--------|-----------|-------------|--------------|
| Date Spudded<br>01-18-86  | Date Compl. Ready to Prod.<br>3-21-86 | X                          |           |                       |                                      |        |           |             |              |
|   |                                       | Total Depth<br>8160'       |           | P.B.T.D.<br>8102'     |                                      |        |           |             |              |
| Elevations (DF, RKB, RT, CR, etc.)<br>7450' GL                                  | Name of Producing Formation<br>Gallup | Top Oil/Gas Pay<br>6780'   |           | Tubing Depth<br>7619' |                                      |        |           |             |              |
| Perforations<br>6780, 6786, 6806, 6815, 6823, 6828, 6841, 6849, 6856, see below |                                       | Depth Casing Shoe<br>8158' |           |                       |                                      |        |           |             |              |
| TUBING, CASING, AND CEMENTING RECORD  |                                       |                            |           |                       |                                      |        |           |             |              |
| HOLE SIZE   | CASING & TUBING SIZE                  |                            | DEPTH SET |                       | SACKS CEMENT                         |        |           |             |              |
| 13 3/4"   | 9 5/8"                                |                            | 268'      |                       | 295' Class B w/ 2% CaCl <sub>2</sub> |        |           |             |              |
| 8 3/4"  | 5 1/2"                                |                            | 8158'     |                       | 1st: 680' 50-50 poz,                 |        |           |             |              |
|   | 2 7/8"                                |                            | 7619'     |                       | 2% gel, 10% salt                     |        |           |             |              |
|   |                                       |                            |           |                       | see below                            |        |           |             |              |

**V. TEST DATA AND REQUEST FOR ALLOWABLE** (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

| Date First New Oil Run To Tanks | Date of Test    | Producing Method (Flow, pump, gas lift, etc.) |            |  |
|---------------------------------|-----------------|---|------------|--|
| 3-18-86                         | 3-18-86         | Flowing                                       |            |  |
| Length of Test                  | Tubing Pressure | Casing Pressure                               | Choke Size |  |
| 24                              | 40 psi          | 500 psi                                       |            |  |
| Actual Prod. During Test        | Oil-Bbls.       | Water-Bbls.                                   | Gas-MCF    |  |
|                                 | 76.75           | 305.94  | TSTM       |  |

**GAS WELL**

| Actual Prod. Test-MCF/D          | Length of Test            | Bbls. Condensate/MMCF     | Gravity of Condensate |
|----------------------------------|---------------------------|---------------------------|-----------------------|
| Testing Method (pilot, back pr.) | Tubing Pressure (shut-in) | Casing Pressure (shut-in) | Choke Size            |

Sacks Cement cont.

2nd: 276' Class B w/2% D-79 tailed by 238' 50-50 poz, w/2% gel, 10% salt  
 3rd: 690' Class B w/2% D-79 tailed by 170' 50-50 poz mix w/2% gel, 10% salt.  
 Squeezed 5469-5530 w/ 60' Class B w/ 3% CaCl<sub>2</sub>. Squeezed 5500-5530  
 w/ 60' Class B w/3% CaCl<sub>2</sub>. Squeezed 5500-5530 w/ 59' Class B with .6% fluid  
 loss additive.

Perforations cont.

6861, 6873, 6883, 6899, 6909, 6916, 6926, 6944, 6956, 6968, 6975, 6982, 6986, 6990, 7000,  
 7011, 7017, 7021, 7025, 7034, 7042, 7048, 7053, 7063, 7086, 7096, 7109, 7124, 7143, 7147,  
 7152, 7161, 7168, 7176, 7181, 7187, 7193, 7202, 7206, 7215, 7220, 7252, 7265, 7270, 7278,  
 7282, 7287, 7292, 7308, 7312, 7325, 7344, 7378, 7399, 7404, 7414, 7474, 7496, 7518, 7530,  
 7537, 7543, 7548, 7568, 7588