

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISIONGARREY CARRUTHERS
GOVERNORPOST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

March 27, 1989

Mallon Oil Company
1099 18th Street
Suite 2750
Denver, CO 80202

Attention: Karen E. McClintock

Administrative Order NSL-2641

Dear Ms. McClintock:

Reference is made to your application dated February 16, 1989 for a non-standard gas well location for your Davis Federal "3" Well No. 15 located at a previously approved unorthodox gas well location (Administrative Order NSL-2273) 795 feet from the South line and 2145 feet from the East line (Unit O) of Section 3, Township 25 North, Range 2 West, NMPM, Blanco Mesaverde Pool extension, Rio Arriba County, New Mexico. The E/2 of said Section 3 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit.

By the authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Blanco Mesaverde Pool as promulgated by Division Order No. R-8170, as amended, the above-described unorthodox gas well location is hereby approved.

Sincerely,

for William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec
NM Oil and Gas Engineering Committee - Hobbs
US Bureau of Land Management - FarmingtonRECEIVED
MAR 30 1989
OIL CONSERVATION DIVISION
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

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

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE 2-28-89

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

Gentlemen:

I have examined the application dated 2-21-89
for the Miller Oil Co. Davis Fed. 15 #3 0-3-25N-2W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approved

Yours truly,

La Burel

MALLON OIL COMPANY

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

February 16, 1989

Mr. Frank Chavez
New Mexico Oil Conservation Division
1000 Rio Brazos Rd.
Aztec, NM 87410

RE: Application for Administrative Approval of
Unorthodox Location for Mallon Oil Company
Mallon #3-15 Davis Federal Well, 795' FSL & 2145' FEL,
Sec. 3, T25N, R2W, NMPM, Rio Arriba County, New Mexico

Dear Mr. Chavez:

We hereby request approval of an unorthodox location for the above captioned well under the provisions of NMOC Rule 104-F. Copies of the C-102, topographic map, a map showing offsetting lessees and production map are attached for your reference.

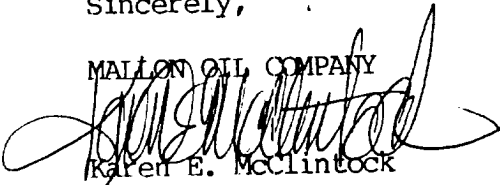
The unorthodox location is necessary due to the rough terrain, as evidenced by the attached Topo map. The location for the Mallon #3-15 Davis Federal well is the closest to being a standard location as the terrain will allow.

The Mallon #3-15 Davis Federal Well is currently spaced on a 160 acre proration unit, capable of production from the Mesaverde formation. A copy of this application is being submitted to all offsetting lessees by certified mail with a request that they furnish your office with a waiver of objection.

Your attention to this matter is greatly appreciated.

Sincerely,

MALLON OIL COMPANY


Karen E. McClintock
Landman

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FEB 21 1989
OIL CON. DIV
DIST. 3

KEM:sss
Enclosure(s)

WAIVER

_____ hereby waives objection to the above application
for unorthodox location.

Date

By:

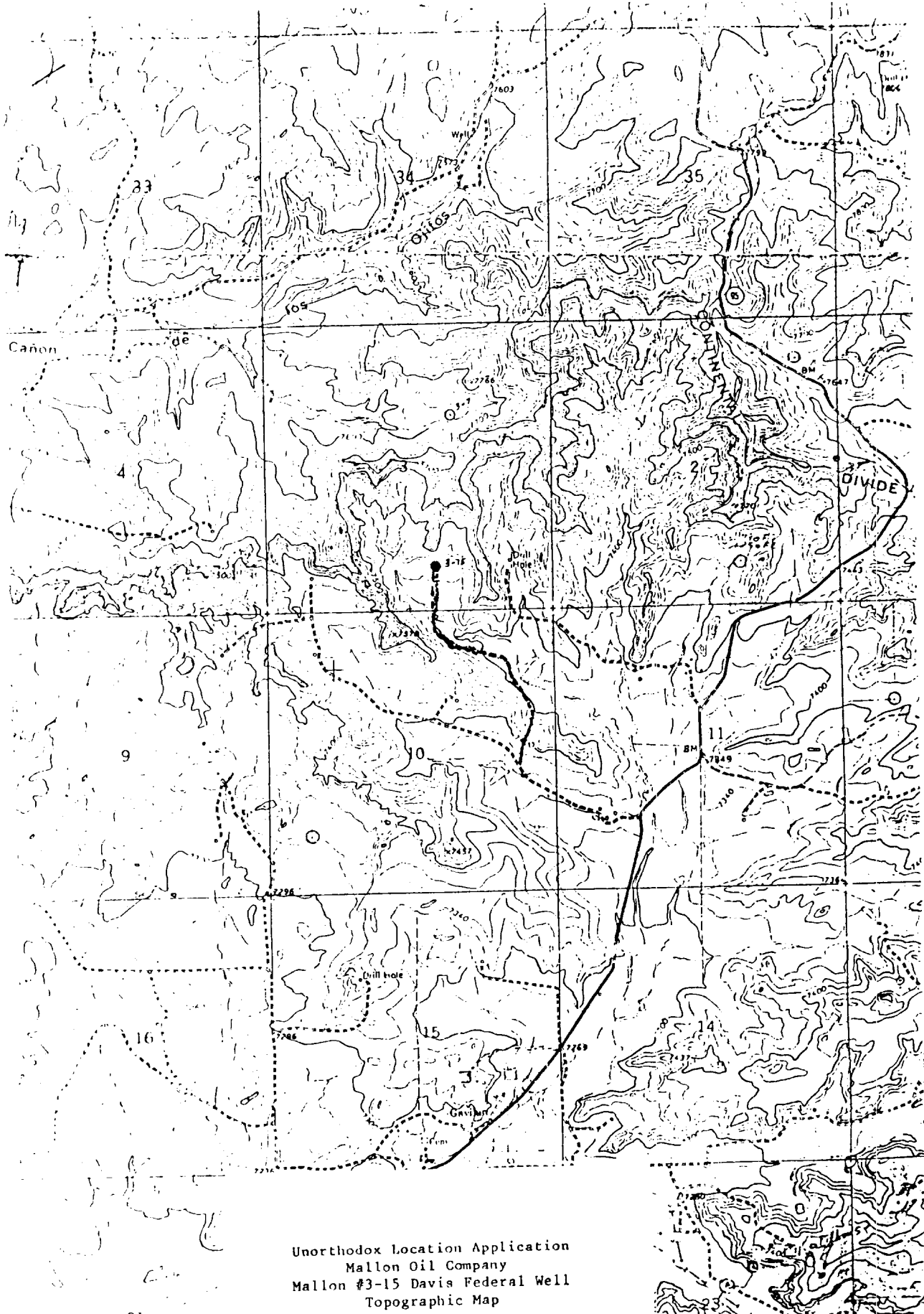
February 16, 1989
Unorthodox Location

Page 2 of 2

cc: Reading & Bates Oil & Gas Co.
Carolyn Clark Oatman
Hooper Kimball & Williams
Warren Clark Testamentary Trust
Warren Clark Trust
IBEX Partnership
PC Ltd.
Amoco Production Co.
Dugan Production Company
Koch Exploration Company

Mesa Grande Resources, Inc.
Mesa Grande, Ltd.
Arriba Ltd.
Exxon Corporation
Duer Wagner, III
Mary Alice Gilliland
Duer Wagner, Jr.
Mountain States Natural Gas Corp.
Norman Gilbreath
Jerome P. McHugh & Associates

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DIST. 3



Unorthodox Location Application
Mallon Oil Company
Mallon #3-15 Davis Federal Well
Topographic Map

Existing Access:
Proposed Access:

Rocky
Lake
28

27

26

1:25,000

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

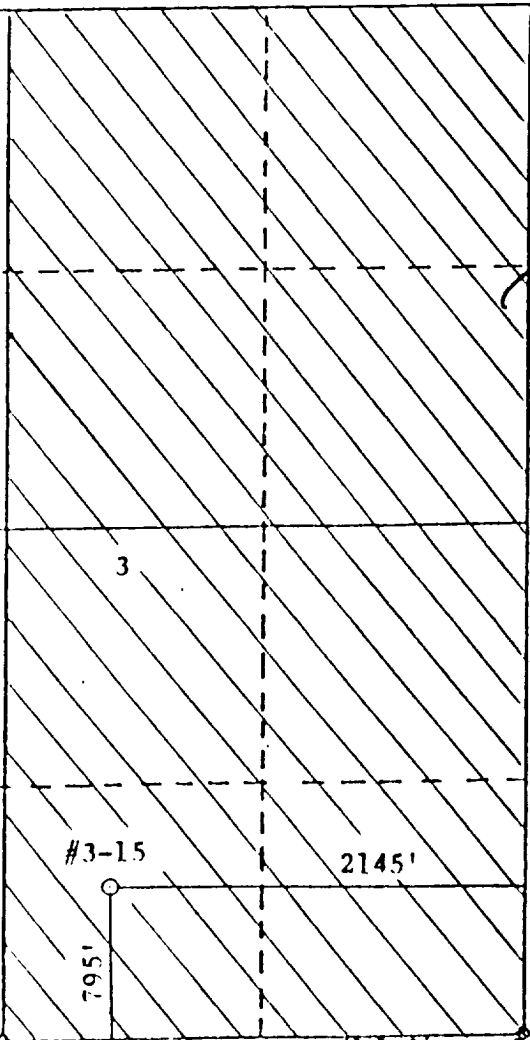
MALLON OIL COMPANY			Davis Federal		Well No. 3-15
Letter 0	Section 1	Township 25 North	Range 2 West	County Rio Arriba	
Well Location: 795' South 2145' East					
Well Elev. 7459'	Producing Formation Gallup/Dakota		Pool Gavilan Mancos/Gavilan Greenhorn-Graneros-Dakota		Dedicated Acreage: 320 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plot 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 Division.

<div>RECEIVED MAY 20 1986 BUREAU OF LAND MANAGEMENT FARMINGTON RESOURCE AREA</div>		CERTIFICATION	
		<p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>_____ Robert L. Bayless Agent Mallon Oil Company Date May 19, 1986</p> <p>I hereby certify that the well location shown on this plot 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.</p> <p>_____ ROY A. RUSH NEW MEXICO 8994 Feb. 3, 1986 Professional Land Surveyor</p>	

Northbox Location Application
Mallon Oil Company #3-15 Davis Federal Well
795' FSL & 2145' PFL, Rio Arriba County, New Mexico

Map of Off-Setting Lessees

1	1	9	12	10	10		
2	2	8	12	10	10		
	3				2		
3	3	8	12	11	11		
3	3	9	12	11	11		
5	1	4	4	13	12		
6	6	4	7	13	13		
		10			11		

	SP-081307	
	Reedini & Bates Oil & Gas Co.	33.3333%
	Carolyn Clark Cabman	.8748%
(1)	Robert Kimball Williams	33.3333%
	Warren Clark Testamentary Trust	.42724%
	Warren Clark Trust	.8133%
	IT&X Partnership	15.6087%
	RC Ltd.	15.6087%
(2)	NM-58853	
	Arco Production Company	100.0000%
(3)	NM-01397	
	Mesa Grande Resources	75.0000%
	Urban Production Co.	25.0000%
(4)	SP-079335	
	Mesa Grande, Ltd.	47.5000%
	Arriba Ltd.	2.5000%
	Exxon Corporation	50.0000%
(5)	NM-003756	
	Durr Warner, III	1.7500%
	Mary Alice Gilliland	25.0000%
	Durr Warner, Jr.	23.2500%
	Mountain States Natural Gas Corp.	50.0000%
(6)	NM-003757	
	Norman Gilbreath	100.0000%
(7)	Fee acreage	
	Mesa Grande Resources	100.0000%
(8)	NM-04077A	
	Mallon Oil Company, et al.	100.0000%
(9)	NM-04077	
	Mallon Oil Company, et al.	100.0000%
(10)	NM-40646	
	Mallon Oil Company, et al.	70.0000%
	Koch Exploration Company	30.0000%
(11)	NM-40645	
	Mallon Oil Company, et al.	100.0000%
(12)	NM-43748	
	Mallon Oil Company, et al.	100.0000%
(13)	Fee acreage	
	Mallon Oil Company, et al.	50.0000%
	Jerome P. McRink & Associates	50.0000%

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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OPERATOR	
PRODUCTION OFFICE	

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

Form C-104
Revised 10-01-78
Format 06-01-83
Page 1

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

FEB 04 1987

OIL CON. DIV.
DIST. 3

I. Operator
Mallon Oil Company
Address
1099 18th Street, Suite 2750, Denver, CO 80202
Reason(s) for filing (Check proper box)
☒ New Well
☐ Recompletion
☐ Change in Ownership
Change in Transporter of:
☐ Oil
☐ Dry Gas
☐ Casinghead Gas
☐ Condensate
Other (Please explain)

If change of ownership give name
and address of previous owner

II. DESCRIPTION OF WELL AND LEASE

Lease Name Davis-Federal 3	Well No. 15	Pool Name, including Formation Gavilan-Mancos	Kind of Lease State, Federal or Fee Communitized Federal	Lease No. NM-04077
Location Unit Letter 0 : 795 Feet From The South Line and 2145 Feet From The East Line of Section 3 Township 25N Range 2W, NMPM, Rio Arriba County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/> Permian Corporation	Address (Give address to which approved copy of this form is to be sent) P.O. Box 1702 Farmington, NM 87401					
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> Phelps Dodge Refining Corporation	Address (Give address to which approved copy of this form is to be sent) P.O. Box 20001 El Paso, TX 79998					
If well produces oil or liquids, give location of tanks.	Unit N	Sec. 11	Twp. 25N	Rge. 2W	Is gas actually connected? yes	When 01/87

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.

(Signature)
Vice President - Engineering

(Title)
01-29-87

(Date)

OIL CONSERVATION DIVISION

FEB -4 1987

APPROVED

Original Signed by CHARLES GHULSON

BY

TITLE

DEPUTY DISTRICT INSPECTOR, DIST. #3

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 deviation 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 X	Gas Well	New Well X	Workover	Deepen	Plug Back	Same Res'v.	Diff. Res'v.
Date Spudded 07-30-86	Date Compl. Ready to Prod. 01-03-87		Total Depth 8277'		P.B.T.D. 8253'				
Elevations (DF, RKB, RT, GR, etc.) 7458' GL	Name of Producing Formation Gallup		Top Oil/Gas Pay		Tubing Depth 7457'				
Perforations See below						Depth Casing Shoe 8277'			
TUBING, CASING, AND CEMENTING RECORD									
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET		SACKS CEMENT				
12 1/4"	9 5/8"		271'		236 ft ³ Class B w/ 2%				
8 3/4"	5 1/2"		8277'		CaCl ₂ 630 ft ³ 50 - 50				
					poz mix w/ 2% gel 10% salt				
	2 7/8		7457'		2nd: 206 ft ³ Class B w/				

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 01-03-87	Date of Test 01-04-87	Producing Method (Flow, pump, gas lift, etc.) Pump	
Length of Test 24	Tubing Pressure	Casing Pressure	Choke Size 1/2
Actual Prod. During Test 6.7	Oil - Bbls. 6.7	Water - Bbls. 0	Gas - MCF 140

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

Perforations

7195	7241	7296	7357
7198	7244	7303	7361
7201	7249	7307	7370
7203	7252	7316	7376
7206	7254	7318	7381
7209	7258	7321	7390
7211	7263	7325	
7217	7267	7331	
7219	7272	7333	
7223	7274	7339	
7225	7278	7342	
7228	7283	7345	
7231	7288	7347	
7237	7292	7354	

Sacks Cement Cont.

2% econolite tailed by 284 ft³ 50 - 50 poz mix w/ 2% gel 10% salt.
3rd: 515 ft³ Class B w/ 2% econolite tailed by 158 ft³ 50 - 50 poz mix w/ 2% gel, 10% salt.

- Total 48 perforations (.50" diameter)