## CONFIDENTIAL

Form 3160-3 SUBMIT IN TRIPLICATE FORM APPROVED (July 1992) **UNITED STATES** (Other instructions or OMB NO. 1004-0136 - DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT reverse side) Expires February 28, 1995 5. LEASE DESIGNATION AND SERIAL NO. APPLICATION FOR PERMIT TO DRILL OR DEEPEN MDA 701-98-0013 1a. TYPE OF WORK 6. IF INDIAN, ALLOTTEE OR TRIBE NAME Drill X Deepen Jicarilla Apache b. TYPE OF WELL 7. UNIT AGREEMENT NAME Oil Well Gas Well X Single Zone Multiple Zone N/A 2. NAME OF OPERATOR 8. FARM OR LEASE NAME, WELL NO Mallon Oil Company Jicarilla 29-03-11 #1 3. ADDRESS AND TELEPHONE NO. APLWELL NO. 3 9-2610 P.O. Box 2797 Durango, CO 81302 (970) 382-9100 FIELD AND POOL, OR WILDCAT 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*) E. Blanco, Pictured Cliffs 855' FSL and 856' FEL (SE/SE) Unit P 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA At proposed prod. zone 855' FSL and 856' FEL (SE/SE) Unit P Sec. 11, T29N-R3W 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 12. COUNTY OR PARISH 13. STATE 55 miles east of Bloomfield, New Mexico Rio Arriba NM 15. DISTANCE FROM PROPOSED \* 16. NO. OF ACRES IN LEASE 17. NO. OF ACRES ASSIGNED LOCATION TO NEAREST 4425 TO THIS WELL PROPERTY OR LEASE LINE FT 39,360 160 (Also to nearest drig, unit line, if any) 18. DISTANCE FROM PROPOSED LOCATION 19. PROPOSED DEPTH 20. ROTARY OR CABLE TOOLS TO NEAREST WELL, DRILLING, COMPLETED, 8297' OR APPLIED FOR, ON THIS LEASE, FT. 4500' Rotary 21. ELEVATIONS (SHOW WHETHER DF, RT, GR, Etc.) 7109' GR 22. APPROX.DATE WORK WILL START 12/15/98 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 Circulate to surface 7-7/8" 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** Blow Out Preventor Equipment/Plan Exhibit 1: Exhibit D: **Drilling Site Layout** Exhibit A: Location and Elevation Plat Exhibit E: **Production Facilities** Exhibit B: Roads and Pipelines Exhibit F: **H2S Contingency Plan** Exhibit C: One Mile Radius Map Exhibit G: **Environmental Assessment** 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 SIGNED TITLE: Operations Superintendent DATE 12/01/98 +ery Lindeman (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 (Original Signed) HECTOR A. VILLALOBOS TITLE LIST Field Mar DATE FEB 2 \*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.

OK (2)

DISTRICT I P.O. Box 1980, Hobbs, N.M. 88241-1980 State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised February 21, 1994 Instructions on back

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

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

1000 Rio Braxos Rd., Aztec, N.M. 87410

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, NM 87504-2088

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

## WELL LOCATION AND ACREAGE DEDICATION PLAT

30-039-26104				*Pool Code 72400		*Pool Name East Blanco; Pictured Cliffs [ST				
Property Code		<sup>a</sup> Property Name							• Well Number	
24251		JICARILLA 29-03-11							1	
OGRID No.		*Operator Name							<sup>5</sup> Elevation	
013925		MALLON OIL COMPANY							7109'	
<sup>10</sup> Surface Location										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line		County
Р	11	29-N	3-W		855	SOUTH	856	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 Coun		County
Dedicated Acres La Joint or Infill La Consolidation Code La Order No.										
160										
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED										

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



