

Mallon Oil Company

Denver/Colorado ♦ Carlsbad/New Mexico

a Mallon Resources subsidiary

July 14, 1998

State of New Mexico
Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Attn: Mr. Mike Stogner

Re: Jicarilla 460-16 No. 1
1850' FNL, 690' FWL (SW NW) Unit E
Sec. 16, T30N-R03W
Rio Arriba County, NM

Dear Mr. Stogner:

Mallon Oil Company received a Non Standard Location approval (NSL 3981) for the Pictured Cliffs formation.

In April 1998 Mallon Oil Company completed the well into the Cabresto Canyon; Ojo Alamo Extension formation which is also a non standard location.

Mallon Oil Company would like to apply for Non Standard Location approval for the Cabresto Canyon; Ojo Alamo Extension at the existing wellbore location. Mallon Oil Company is the sole operator within a half mile radius of this location.

Please find enclosed a copy of Mallon Oil Company's C-102 which was sent April 23, 1998 and a copy of the completion report (3160-4).

Should you need any further information, Please contact the undersigned at 505-885-4596.

Sincerely,

MAILLON OIL COMPANY



Duane C. Winkler
Operations Manager

Enclosures

RECEIVED
AUG 12 1998
OIL CON. DIV.
DIST. 3

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1 TYPE OF WELL OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER ☐		8 IF INDIAN, ALLOTTEE OR TRIBE NAME Jicarilla Apache	
2 TYPE OF COMPLETION NEW WELL ☒ WORK OVER ☐ DEEP-EN ☐ PLUG BACK ☐ DIFF. RESVR ☐		7 UNIT AGREEMENT NAME N/A	
3 NAME OF OPERATOR Mallon Oil Company		8 FARM OR LEASE NAME, WELL NO Jicarilla 460-16 No. 1	
4 ADDRESS AND TELEPHONE NO P.O. Box 3256, Carlsbad, NM 86220 (505) 885-4596		9 API WELL NO 30-039-25760	
5 LOCATION OF WELL (Report location clearly and in accordance with any State requirements) At surface 1850' FNL, 690' FWL (SW NW), Unit E At 10g prod. interval reported below 1850' FNL, 690' FWL (SW NW), Unit E At total depth 1850' FNL, 690' FWL (SW NW), Unit E		10 FIELD AND POOL OR WILDCAT Cabresto Canyon, Ojo Alamo Ext 11 SEC., T., R. M., OR BLOCK AND SURVEY OR AREA Sec 16, T30N, R03W	
15 DATE SPUDDED 2/22/98		16 DATE TO REACHED 2/28/98	17 DATE COMP (Ready to Prod) 6/15/98
20 TOTAL DEPTH, MD & TVD 3970'		21 PLUGBACK TO, MD & TVD 3903'	22 IF MULTIPLE COMPS HOW MANY? N/A
24 PRODUCING INTERVAL (S) OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD) 3164' - 3208' Ojo Alamo		25 WAS DIRECTIONAL SURVEY MADE YES	
26 TYPE ELECTRIC AND OTHER LOGS RUN GR, GOL, DSN, DIND, SGRD		27 WAS WELL CORED N/A	
38 CASING RECORD (Report all strings set in well)			
CASING SIZE/GRADE 8-5/8"	WEIGHT LB/FT 24 lb	DEPTH SET (MD) 537.21'	HOLE SIZE 12-1/4"
		TOP OF CEMENT, CEMENTING RECORD Cmt 30 sxs Class "B" Circ	
		95 sxs to surface	
5-1/8"	15.5 lb	3958'	7-7/8"
		Cmt 580 sxs circ 57 sxs to surface	
39 LINER RECORD			
SIZE N/A	TOP (MD)	BOTTOM (MD)	SACKS CEMENT
30 TUBING RECORD			
SIZE 1.9"	DEPTH SET (MD) 2997'	PACKER SET (MD) 2998'	
31 PERFORATION RECORD (Interval, size and number)			
3164' - 3175' 4 JSPF		44 holes	
3183' - 3208' 4 JSPF		100 holes	
Ojo Alamo			
32 ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.			
DEPTH INTERVAL (MD) 3164' - 3208'		AMOUNT AND KIND OF MATERIAL USED 2500 gals 7-1/2 acid Frac 36,000 lbs sand	
33 PRODUCTION			
DATE FIRST PRODUCTION ##		PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump) WELL STAT (Producing or Shut In) Flowing SI	
DATE OF TEST 3/7/98	HOURS TESTED 24	CHOKE SIZE 3/8"	PROOF FOR TEST PERIOD 0
		OIL - BBL 673	GAS - MCF 110
		WATER - BBL N/A	
FLOW TBG PRESS 200		CASING PRESSURE 0	CALCULATED 24-HOUR RATE 0
		OIL - BBL 673	GAS - MCF 110
		WATER - BBL N/A	
34. DISPOSITION OF GAS Sold		TEST WITNESSED BY Kisor	
35. LIST OF ATTACHMENTS			
36 I hereby certify that the foregoing and attached information is complete and correct as determined from all available records			
SIGNED Christy Sorzano		Production Secretary DATE 4/23/98	

Title 18 U.S.C. 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.

CONFIDENTIAL

37. SUMMARY OF FORMER ZONES: (Show all important zones of porosity and permeability; and all depth-interval, tests, including depth interval tested, casing used, time lost open, flowing and shut-in pressures, and permeability)				
38. GEOLOGIC MARKERS	NAME	TOP		TRUE VERT. DEPTH
		MEAL DEPTH	VERT. DEPTH	
100' 100' 100' 100' 100'	Ojo Alamo	3154'		
	Kirtland	3398'		
	Fruitland	3614'		
	Pictured Cliffs	3732'		
	Lewis	3795'		

100'

DISTRICT I
P.O. Box 1888, Hobbs, N.M. 88241-1888

State of New Mexico
Energy, Minerals & Natural Resources Depart.

Form C-10
Revised February 21, 1971
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer 100, Lordsburg, N.M. 88211-0710

DISTRICT III
1000 El Estero 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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-25760	² Pool Code 96538	³ Pool Name Cabresto Canyon; Ojo Alamo Ext.
⁴ Property Code 22183	⁵ Property Name JICARILLA 460-16	⁶ Well Number 1
⁷ CCRD No. 13925	⁸ Operator Name MALLON OIL CO.	⁹ Section 7158

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
	16	30-N	3-W		1850	NORTH	690	WEST	SIO ARRESA

¹¹ Bottom Hole Location if Different From Surface

UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 160	¹³ Joint or L&M	¹⁴ Consolidation Code	¹⁵ Order No.
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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 	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 Production Superintendent Title 10/15/97 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 or under my supervision, and that the same is true and correct to the best of my belief. 10-1 ROY A. RUSH Date of Survey Signature 8894 Certificate Number			

Exhibit A